



Daily Report

East Asia

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OIC Special Contact Group Holds Session

Iranian Ministers Arrive

LD1309091095 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0730 GMT 13 Sep 95

[FBIS Translated Text] Our country's ministers of foreign affairs and defense last night arrived in Kuala Lumpur to participate at the special session of the OIC [Organization of Islamic Conference] Contact Group.

Messrs. Velayati and Foruzandeh will take part at the joint session of the ministers of foreign affairs and defense of the Contact Group to assess ways of resolving the Bosnian problem. The session begins its work tomorrow.

In the past two days, during the preliminary meetings of the session at the Malaysian capital, the political and defense experts of the participating countries discussed practical grounds to help end the Bosnian crisis.

Meeting Opens

BK1109090395 Kuala Lumpur Voice of Malaysia in English 0800 GMT 11 Sep 95

[FBIS Transcribed Text] Military commanders and senior officials of Islamic nations have begun the meeting on Bosnia-Herzegovina in Kuala Lumpur with a working lunch. They are preparing for a special conference called by the Contact Group of the Organization of Islamic Conference, OIC.

Leading the Malaysian delegation are Armed Forces Chief General Tan Sri Ismail Omar and Foreign Ministry Secretary General Tan Sri Ahmad Kamil Jaafar. The special conference to boost the peace efforts and discuss the reconstruction on the war-shattered Balkan state will be held on Thursday and Friday. It will be attended by 13 Islamic countries, including the eight-member OIC Contact Group, Bosnia-Herzegovina, and OIC Secretary General Dr. Hamid Algabid, while Croatia will sit as an observer. The Contact Group comprises Malaysia, Egypt, Pakistan, Senegal, Turkey, Morocco, Iran, and Saudi Arabia. The rest are Bangladesh, Indonesia, and Jordan, which have stationed peacekeeping troops in Bosnia under the United Nations Protection Force, UNPROFOR, as well as Qatar, a donor country.

A separate meeting among the military commanders slated for this afternoon has been rescheduled to tomorrow morning due to the delayed arrival of some delegates. Foreign Ministry officials said the meetings are expected to focus on how the Islamic countries could help to strengthen the position of Bosnia-Herzegovina in dealing with the latest U.S.-sponsored peace plan,

namely the creation of a Serbian state occupying 49 percent of the territory within the federation.

Their roles are expected to discuss how the OIC member countries could assist in the reconstruction and rehabilitation of Bosnia after peace is restored. Prior to this, the OIC Contact Group had met in Geneva in July and declared that the arms embargo against Bosnia-Herzegovina is invalid and that the OIC is prepared to supply arms to the Bosnians to defend themselves. The OIC Contact Group also had their first meeting with the Western Contact Group on Bosnia in Paris last week.

Bosnia Urges Lifting of Sanctions

BK1309065795 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 13 Sep 95

[FBIS Translated Text] The Bosnian Government will ensure that a military balance will be favorable to the country after the conflict in the Balkan republics ends. The military balance will be necessary to protect the Bosnian people from Serbian terrorists. Bosnian Army Commander General Rehim Delic said the Bosnian Army is now simply defending the country against the Serbian aggression and is dependent on aid from Islamic countries.

Gen. Delic said Bosnia will not allow a balance of power similar to the one set in 1993, which denied Bosnia a fair military balance. He said the international community was concerned about the military balance in Bosnia. What has taken place over the past three years, however, shows the ugliness of the fully armed Serbian forces.

He also hoped members of the Organization of Islamic Conference [OIC] would seek ways to have the UN arms embargo lifted. However, Delic does not believe that the embargo would be lifted in the near future in light of UN procedures. He expressed the hope that the Bosnian Government would be able to receive arms to defend its territory in the same manner as the Croatian Government. He said the arms would enable Bosnia to prove to the world, especially European countries, that it is still capable of countering the Serbian aggression. Regarding the OIC's efforts to help Bosnia, he hoped the OIC would help strengthen the Bosnian Army after the war ends.

Official Reports on Meeting

BK1309095895 Kuala Lumpur BERITA HARIAN in Malay 13 Sep 95

[Received via Internet]

[FBIS Translated Excerpt] Kuala Lumpur, Tuesday — The Organization of Islamic Conference (OIC) has warned that if Serbian separatists refuse to stop the

conflict in the Balkans through a diplomatic settlement, they will have to bear the consequences.

However, Tan Sri Ahmad Kamil Jaafar, secretary general to the Ministry of Foreign Affairs, refused to elaborate on the statement, instead, leaving it to the mass media to make their own assumptions.

When asked whether the OIC intended to supply arms to Bosnia, Ahmad Kamil said: "I do not rule out any move or any possibility."

He was speaking at a news conference after attending the second day of meetings between senior officials of the OIC contact group and the countries supplying arms to Bosnia, here today. [passage omitted]

Ahmad Kamil, however, believes that Bosnian Serb leader Radovan Karadzic's threat to withdraw from the U.S.-initiated peace plan if NATO does not stop air attacks on Serbian targets, is only a tactic and should not be taken seriously.

Regarding the OIC contact group meeting today, he said that in their discussions, the delegates had touched on all aspects related to the Bosnian issue.

"We discussed the Bosnian issue, and at the same time stressed that the OIC will continue all diplomatic efforts to resolve it," he added.

This round of meetings will not simply issue a "weak" declaration; instead it will produce a manifestation that will be followed by more effective actions.

Concerning a report that NATO will probably stop attacking Serbian targets, Ahmad Kamil stated that he has not heard of such a report.

"As far as I know, NATO will continue to attack Serbian targets, and I hope it will put into practice what it has said," Ahmad Kamil said.

DPRK Delegates to KEDO Talks on Flood Damage

*SK1309084695 Seoul KBS-1 Radio Network
in Korean 0803 GMT 13 Sep 95*

[YONHAP from Kuala Lumpur]

[FBIS Translated Text] North Korea's delegates, who arrived in Kuala Lumpur to negotiate with the Korean Peninsula Energy Development Organization on providing light-water reactors, unanimously stressed that the damage North Korea suffered due to heavy rainfalls this summer is great.

The North Korean delegates stated: About three-fourths of North Korea's territory was hit by floods. In particular, damage in the areas north of Pyongyang—such as North Pyongan, North Hamgyong, and Chagang

Provinces—is so great that most houses, roads, and water supply and drainage facilities were demolished.

The North Korean delegates also stated: North Korea has large and excellent dam facilities along the Taedong River that are able to manage twice the heavy rain of the recent rainfalls. However, damage in areas north of Pyongyang is so serious that some places are still covered with mud several meters high.

KEDO, DPRK To Discuss Reactor Contract

*SK1309010295 Seoul YONHAP in English
0048 GMT 13 Sep 95*

[FBIS Transcribed Text] Kuala Lumpur, Sept. 13 (YONHAP) — As senior officials wrapped up two days of meetings discussing the supply of light-water nuclear reactors to North Korea, technical experts from the Korea Peninsula Energy Development Organization (KEDO) and the communist country will now begin working out the details for a reactor supply contract.

The team of KEDO experts will be led by Gary Samore, aide to U.S. nuclear ambassador Robert Gallucci, while Yi Yong-ho, deputy director of the North Korean Foreign Ministry's America bureau, will head the North Korean delegation of experts.

They will conduct negotiations using a 15-page KEDO draft contract and a North Korean counter-proposal as references, a KEDO official said Tuesday evening.

KEDO conveyed the 18-article draft contract to the North Koreans in New York on Sept. 8, and the North presented KEDO its counter-proposal last Tuesday, according to the official.

The experts' talks are scheduled to last for three days beginning Wednesday and they are expected to resume sometime later in Kuala Lumpur.

In the meantime, the senior officials' talks are scheduled to open in two to three weeks, at a venue to be agreed upon by both sides. However, a reliable source noted the venue will not be Kuala Lumpur.

A diplomat well versed in the KEDO-North Korea contract talks commented that the North Koreans displayed considerable "flexibility" when discussing additional facilities they requested for the nuclear power plant project and the terms of payment. Should a compromise be reached, it is likely that they will make a package deal, he noted.

While demanding the inclusion in the contract of more than ten extras like power transmission and distribution facilities, ports, roads, and simulators for training, the North Koreans stressed three or four urgent items in particular, the diplomat stated.

'Understanding' Cited as Talks End

*BK1309072095 Kuala Lumpur THE STAR in English
13 Sep 95*

[Report by Mergawati Zulfakar—received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — North Korea and the Korean Peninsula Energy Development Organisation (Kedo) concluded their two-day talks here yesterday on the supply of light water reactors to Pyongyang.

The two sides will resume talks soon at a venue to be fixed within the next two or three weeks, officials said.

However, experts from both delegations will continue their working level meeting here. Gary Samore and Lee Young Ho will be leading the Kedo (a US, Japanese and South Korean consortium) and Pyongyang committees respectively.

A joint statement issued yesterday at the end of the talks said the two delegations "were able to come to a clear understanding of each other's views and positions."

"Both sides also agreed to work together towards the earliest possible conclusion of the light water reactor supply agreement," said Kedo spokesman Mitchell Reiss and Pyongyang's Chong Song-il.

Kedo's delegation was headed by Stephen Bosworth while the North Korean side was led by roving ambassador Ho Chong.

The talks were held to sort out details after North Korea agreed with the supply of US\$4.5 billion (RM11.2 billion) [Malaysian currency] in light-water reactors and alternative energy supplies.

Pyongyang in return will freeze and ultimately give up its nuclear programme.

The previous talks held here in June dragged on for three weeks when North Korea rejected South Korean-made

reactors but expressed willingness to accept reactors from other sources.

WHO Members Pass Resolution on Nuclear Tests

*BK1109093695 Hong Kong AFP in English
0924 GMT 11 Sep 95*

[FBIS Transcribed Text] Manila, Sept 11 (AFP)—Asian member nations of the World Health Organization (WHO) meeting in the Philippines on Monday passed a resolution deploring nuclear testing by France and China.

The resolution, introduced by the Cook Islands, was approved by 25 delegations, with France rejecting it and China and Tonga abstaining, WHO spokesmen said.

The WHO regional committee said in the resolution that it "deplores the testing of nuclear weapons anywhere in the world, and particularly in the region."

It called upon "those governments intending to test such weapons to desist from doing so immediately."

Both China and France have recently conducted nuclear tests and all other nuclear powers are observing a moratorium on testing.

France, which holds a seat in the regional committee for its Pacific territory of French Polynesia, demanded that the phrase "immediately" be dropped from the resolution, but the other members refused to give in, WHO spokesmen told AFP.

Health officials from the western Pacific region, which includes east Asia, parts of southeast Asia, Australia, New Zealand and the South Pacific nations, are gathered here this week in an annual general assembly to discuss the UN agency's future policies in the region.

Japan**Nosaka: Dietmen Broke No International Law**

OW1309051795 Tokyo KYODO in English
0407 GMT 13 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Two New Party Sakigake [Harbinger] legislators held temporarily by the French military near Mururoa Atoll last weekend while participating in an antinuclear protest, did not act in violation of international law, Chief Cabinet Secretary Koken Nosaka said Wednesday [13 September].

But Nosaka said at a news conference that the actions of Ko Tanaka and Noboru Usami, both House of Representatives members belonging to Sakigake, the smallest coalition partner, fell within French law.

He said the two lawmakers were acting on their own initiative in participating in the protest action.

The two Diet members were aboard a Greenpeace environmentalist yacht when they were taken into custody Saturday.

The chief government spokesman said Prime Minister Tomiichi Murayama's government has no plans to take action on the issue, adding the Diet could discuss the matter, if necessary.

The two lawmakers were released Sunday in Papeete, Tahiti.

Sakigake leader and Finance Minister Masayoshi Take-mura also participated in the antinuclear rally but did not board the Greenpeace vessel.

Kono Pledges Economic Cooperation With Panama

OW1209144295 Tokyo KYODO in English
1312 GMT 12 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 12 KYODO — Foreign Minister Yohei Kono pledged Tuesday [12 September] to further expand Japan's economic cooperation to Panama to support the central American country's democratization and economic stability, a Foreign Ministry official said.

Kono made the pledge during a working dinner with Panama's President Ernesto Perez Balladares, Foreign Minister Gabriel Lewis-Galindo and other Panamanian officials accompanying the president's visit to Japan.

Kono told the Panamanian leaders that as part of Japan's efforts to expand its economic aid, it will soon send a survey mission to the country to study ways to redevelop Balboa Port and will also start extending small-scale, grass-roots grant-in-aid from this fiscal year, the official said.

Balladares, in Japan until Wednesday, gave high marks to Tokyo's planned cooperation to redevelop the Balboa Port, which serves as the Pacific entrance to the Panama Canal, and told Kono that Panama plans to develop various ports in the area to create a large distribution center, the official said.

In response to Panama's calls for Japan to participate in an international conference on the Panama Canal in 1997, Kono said Japan plans to take part in the confab because it considers the canal's smooth operation important.

Balladares said he hopes Japan will participate in the universal congress on the canal under a special status since Japan is the second largest user of the canal.

Turning to the Asia-Pacific Economic Cooperation (APEC) forum, Panamanian Foreign Minister Lewis Galindo urged Japan to acknowledge Panama's desire to join the forum after the moratorium on new memberships ends next year, the official said.

Prior to the dinner meeting at the Ikura Guest House in Tokyo, Kono and Lewis Galindo signed documents on a Japanese cultural grant-in-aid of up to 48.6 million yen.

The aid will be used to help a university purchase audiovisual equipment for Japanese language education.

Transport Minister, Panamanian Head Hold Talks

OW1209111695 Tokyo KYODO in English
1013 GMT 12 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 12 KYODO — Japan has promised to collaborate with Panama's planned study on how to deal with the transportation capacity of the Panama Canal expected 25 years from now, Japanese officials said Tuesday [12 September].

Transport Minister Takeo Hiranuma made the pledge in a meeting with Panamanian President Ernesto Perez Balladares, who asked for Japanese help in the study, the officials said.

Hiranuma was quoted as telling Balladares, now on a five-day Japan visit, that his ministry "will cooperate, while pushing coordination with relevant (Japanese) government ministries and agencies."

He also said Japan is willing to comply with the president's request to assist with the feasibility study for a project to further develop the Port of Balboa on the canal, they added.

The Panama Canal will be returned to Panama by the United States in the year 2000. Japan is the world's second most frequent user of the canal.

Tokyo Urged To Study Panama Canal's Future

*OW1309052095 Tokyo KYODO in English
0430 GMT 13 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Panama's President Ernesto Perez Balladares urged Japan Wednesday [13 September] to jointly explore ways to deal with the future of the Panama Canal, considering both its capacity and its future modernization.

"Japan is the world's second most frequent user of the canal and 20 percent of its trade goes through the canal," Balladares told a press conference at the Japan National Press Club through an interpreter.

He said it is "meaningful" for Japan and Panama to jointly study ways to beef up the canal so it will be capable of meeting new demands which could occur due to changes in global trade.

Balladares said he hopes Japanese officials from the government and the private sector will attend an international conference Panama plans to sponsor in September 1997 to discuss ways to repair the canal.

The Panamanian president, who is to leave Japan later in the day, also said he wants to review a report compiled by the United States, Panama and Japan in 1993, which suggested that the Panama Canal should be expanded because it will reach its maximum transportation capacity by 2025.

The report needs to be reevaluated, he said, because Asia's economic growth and expansion of its trade had not been anticipated at the time and also because the estimated amount of transportation using the canal was not very clear.

Balladares said one of the ideas now under consideration is to build a third access gate to increase the number of vessels passing through the canal, enabling more commodities to be transported.

The Panama Canal, completed in 1914, is to be handed over to Panama by the U.S. in the year 2000.

The president also called for investment by Japan and other Asian countries to redevelop the areas surrounding the canal.

Tokyo Extends Aid to Developing Countries

Philippines: Emergency Relief Goods

*OW0809133095 Tokyo KYODO in English
0950 GMT 8 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 8 KYODO — Japan will send emergency relief goods worth 16 million yen [Y] to the Philippines, where a flash flood in the southern Philippines killed at least 40 people and left

hundreds missing, the Foreign Ministry said Friday [8 September].

The Japanese aid consists of tents, sleeping mats and plastic sheets, the ministry said.

Ghana: Y12.1 Billion Loan

*OW1209104595 Tokyo KYODO in English
1016 GMT 12 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 12 KYODO — Japan has offered Ghana an official loan of up to 12.1 billion yen [Y] to help finance a project to steadily provide electricity in the west African country, the Foreign Ministry said Tuesday [12 September].

Ghana's Foreign Minister Obed Asamoah and Japanese Ambassador to Ghana Toshihiro Kojima exchanged notes on the aid in Accra earlier in the day, the ministry said.

The 30-year yen-denominated loan with a grace period of 10 years carries an annual interest rate of 2.6 percent.

Thailand: Loan Up to Y61.65 Billion

*OW1109114895 Tokyo KYODO in English
0810 GMT 11 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — Japan will extend Thailand official yen loans of up to 61.65 billion yen to support the country's economic and social development efforts, the Foreign Ministry said Monday [11 September].

Thai Finance Minister Surakiat Sathinathai and Japanese Ambassador to Thailand Takeshi Onda exchanged notes on the Japanese aid in Bangkok earlier in the day, the ministry said.

The aid, pledged by Foreign Minister Yohei Kono when he visited Thailand in August, will finance seven projects, including some aimed at improving roads and power cables, the ministry said.

The 25-year loan with a grace period of seven years carries with it an annual interest rate of 2.7 percent.

Ambassador Kim Urges Kono To Visit ROK

*OW1109082695 Tokyo KYODO in English
0758 GMT 11 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — South Korean Ambassador to Japan Kim Tae-chi called Monday [11 September] for an early visit to South Korea by Foreign Minister Yohei Kono for regular bilateral foreign ministerial talks, a Foreign Ministry official said.

In a meeting with Vice Foreign Minister Sadayuki Hayashi, Kim urged Kono to visit Seoul for talks with South Korean Foreign Minister Kong No-myong, because bilateral foreign ministerial talks have not been held for a while, the official said.

Hayashi replied that Japan will consider the proposal, he said.

Kong met Kono in Japan last week while on a brief visit to attend the funeral of former Prime Minister Takeo Fukuda.

But foreign ministerial talks have not been held since June 1993.

Turning to North Korea, Hayashi and Kim agreed to pay close attention to the reports on Tuesday by UN Department of Humanitarian Affairs (DHA) on its survey results in Geneva, the official said.

Hayashi was quoted as saying Japan will consider whether to extend aid to North Korea, which reportedly is suffering from disastrous floods, after hearing the survey results.

Kim told Hayashi that South Korea will "carefully" consider assistance, since talks between Seoul and Pyongyang on rice aid have not gone well.

The DHA, which sent a team of disaster assessment experts to North Korea, has said that recent flooding in North Korea has left 100,000 families, 500,000 people in all, homeless.

Report: Economy 'Weak,' on Verge of 'Contracting'

*OW1109063195 Tokyo KYODO in English
0531 GMT 11 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — Japan's economy may be on the verge of contracting, the government's monthly economic report showed Monday [11 September]

"The Japanese economy, with its recovery having stalled for a long time, is now moving in a weak mode," said the September report prepared by the Economic Planning Agency (EPA).

It was the first time since last December, when the government report declared that the economy had started on a recovery path, for the agency to use the word "weak" in describing the economy's performance.

The agency mainly blamed slack industrial production, dwindling business confidence and worsening unemployment for the fresh assessment, which was endorsed by a meeting of economic ministers Monday afternoon.

Akira Sadahiro, head of the first domestic research division of the agency's research bureau, said, "further weakness, centering on the production front, emerged during the reporting month."

"Downward tendencies appear to be emerging," he also said, virtually dropping the assessment of "moderate recovery," which the government has upheld although it acknowledged recently that the economy had stalled.

It is the first time in about a year for the word "recovery" to disappear from the summary part of the agency's monthly report.

The EPA official, however, denied the economy has shifted to a contraction phase. "More data are needed to confirm such a shift," he said.

The assessment came in tandem with the first worsening in one year and nine months in a key corporate business sentiment index, as shown in the bank of Japan's quarterly "tankan" report released Friday.

In the September report, the agency said personal spending and corporate capital spending have yet to recover fully.

Moreover, housing construction is falling while exports are leveling off, it said.

Under these circumstances, industrial production is tending to weaken while inventories are being built up, reflecting falling shipments, the report said.

The report severely assessed Japan's output trend by using the word, "weak," instead of "continued stall" in the August report, a view in line with statistics released by the Ministry of International Trade and Industry (MITI).

MITI said Japan's industrial production slid 2.4 percent in July for the fourth consecutive month of year-to-year declines, the longest stretch since late 1992 to early 1993.

Referring to a marked drop of 3.0 percent in industrial shipments for July, MITI said it is a sign of the start of an excessive inventory buildup.

MITI also projects industrial output for the July-September quarter to sink 1.9 percent, the worst performance since the fourth quarter of 1993.

In response to the central bank's tankan report, the EPA also gave a dismal view of corporate sentiment, saying confidence has been "stagnant," whereas in the August report it described it as "making time."

On unemployment, the EPA said, "the severe situation continues with the ratio of job openings against job

seekers falling and unemployment staying at high levels," an assessment almost unchanged from that in the previous report.

Exports began to drop in July after leveling off in the previous month, the EPA said, revising downward the view in the August report, which said exports were unchanged.

On the import front, the EPA report said growth came to a halt due to a fall in crude oil imports, following the August assessment that imports, mainly of products, were moving higher.

The September report lists bright factors — the yen's depreciation against the dollar and a pickup in stock prices — in the final part of the assessment.

The August report had given more weight to these bright factors, saying they are engaged in "a tug of war" with pessimistic trends.

The recent bankruptcy at financial institutions did not have any impact on compilation of the fresh report, the agency said.

The report cited the government's plan to forge a new pump-priming package, including a second extra budget for this fiscal year, and last Friday's cut in the central bank's official discount rate to a record low of 0.5 percent per annum.

"These measures are intended to wipe out uncertainty over the economic outlook and ensure the economy's shift to a steady growth track," the report said.

In September last year, the EPA report said for the first time since the recession started that the Japanese economy was moving toward recovery and the optimism was strengthened in the December report assessing the economy as in a recovery trend.

But the July report — with no signs of improvements in key figures and heavy weight of the strong yen — reversed the perception and acknowledged the recovery had stalled. This view was repeated in the August report.

The latest assessment virtually nullifies the agency's view that the economy, although stalled, still remains on a "plateau" and eventually it will begin to climb.

The current slump began in May 1991, according to the agency's official view.

Ministry: Economy Stalled; Recovery Ahead

OW1309034595 Tokyo KYODO in English
0253 GMT 13 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Japan's economy is at a standstill on a broad front with a mixture of strong and weak movements, though

the outlook is optimistic in some regions, the Finance Ministry said Wednesday [13 September] in a summary of national economic conditions.

Summing up reports by the heads of the ministry's 11 regional finance bureaus nationwide, it said the nation's economy has broadly stalled, with bearish tendencies growing in industrial production and housing investment, in contrast to the yen's recent weakening, rises in stock prices and recovering corporate capital investment.

In such regions as Kanto, Kinki and Tokai, however, the economy is expected to return soon to a moderate recovery path on the back of an upturn in private consumption due to the unusually hot summer following the rainy season, as well as to improvement in corporate earnings and capital spending, it said.

As for the nationwide economy, the ministry said individual consumption, notably of durable goods such as passenger cars and consumer electronics, has been generally on a moderate recovering trend.

Housing construction is on a downtrend, while positive moves are seen in corporate capital spending on a broad front, particularly in the manufacturing sector, it said.

The supply-demand situation in employment has been increasingly eased with labor force in excess, it said.

Production activities have been weak recently, and corporate demand both for operating and investment funds has continued to be poor, it said.

Corporate earnings are expected to increase from year-earlier levels in both the first and second halves of fiscal 1995 ending next March 31, except in some industries, as a result of sales increases, cutbacks in personnel outlays and reductions in interest burdens, it said.

EPA Chief Hints Tax Revision Unlikely

OW1309053095 Tokyo KYODO in English
0425 GMT 13 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Economic Planning Agency (EPA) chief Isamu Miyazaki implied Wednesday [13 September] that a revision of the tax system is unlikely to be included in the economic package to be announced by the government next week.

"It is difficult to include details of the tax system in the package," said Miyazaki at a meeting with Federation of Economic Organizations (Keidanren) Chairman Shoichiro Toyoda and top Keidanren officials at a Tokyo hotel.

The remark was in reply to a request by Keidanren to reduce the corporate tax and abolish the land value tax.

"I understand your request. However, it is something that would have an effect on the long-term economic structure, and it should be discussed at the Financial System Research Council," he said, referring to the advisory body to the finance minister.

Keidanren officials also asked for a large-scale second supplementary budget for fiscal 1995 as well as further economic deregulations and the early transfer of the Japanese capital to a city other than Tokyo.

Miyazaki said he hopes to include "future-orientated" public works investment in the supplementary budget and he also expressed a willingness to consider measures to spur real estate transactions.

Takemura Sees Further Depreciation of Yen

*OW1309090495 Tokyo KYODO in English
0845 GMT 13 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Finance Minister Masayoshi Takemura expressed a view Wednesday [13 September] that the yen will lose further ground against the U.S. dollar in foreign exchange markets.

Takemura said at a press conference that basically, foreign exchange rate movements are still in a process of reversal of the dollar's weakness as agreed in April by the Group of Seven Nations.

In Tokyo on Wednesday, the dollar briefly surged above the 102 yen line for the first time in 15 months.

Takemura said foreign exchange rates "are getting closer to economic fundamentals due to the yen's recent weakening."

Toyoda Says Consumption Tax Rise 'Unavoidable'

*OW1109124395 Tokyo KYODO in English
1134 GMT 11 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — An influential business leader said Monday [11 September] that a planned raise in the consumption tax rate is "unavoidable" as the ratio of direct to indirect taxes revenues will keep rising.

The ratio of indirect taxes should be raised, Shoichiro Toyoda, chairman of the powerful Federation of Economic Organizations (Keidanren), told reporters.

The government plans to raise the consumption tax to 5 percent in 1997 from the current 3 percent.

Toyoda also welcomed former Posts and Telecommunications Minister Junichiro Koizumi's bid for the pres-

idency of the Liberal Democratic Party, saying it will create a good competitive situation in the current presidential election in the biggest force of the three-party ruling coalition.

Tourism Trade Balance Expects Record Deficit

*OW0709122695 Tokyo KYODO in English
1154 GMT 7 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 7 KYODO — Japan's tourism trade balance — the difference between foreigners' spending in Japan and that by Japanese overseas — is predicted to hit a record deficit of \$34 billion in fiscal 1995, ending next March, a private think tank said Thursday [7 September].

The Fuji Research Institute Corp., affiliated with Fuji Bank, said the estimated deficit of \$34 billion is \$5 billion higher than the previous year.

The sharp rise in the number of Japanese travelling overseas, which caused the deficit, is attributable to lower airfares along with the yen's jump against the U.S. dollar, it said.

In the current business year, the number of Japanese travelling abroad is forecast to swell by 1.27 million from the previous year to 15 million, according to the research institute.

In fiscal 1994, which ended last March 31, the deficit in the tourism trade balance was seven times higher than 10 years ago at \$28.6 billion, while the number of tourists going overseas nearly tripled to 13.73 million, the institute said.

Rengo Head on Effect of BOJ Rate Cut on People

*OW1309030995 Tokyo KYODO in English
0156 GMT 13 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Japan's top labor leader, Jinnosuke Ashida, on Wednesday [13 September] criticized the latest cut by the Bank of Japan (BOJ) of its official discount rate as ignoring the needs of ordinary citizens.

"(The cut) will reduce the interest rates to be paid by companies, and will ease the burden on financial institutions," said Ashida, president of the 8 million-strong Japanese Trade Union Confederation (Rengo), at a convention of a federation of textile workers' unions he also leads.

"As the result, it will cause transfer of income from depositors to financial circles. I have to say that it lacks consideration for retired people and other ordinary people," he said.

The central bank on Friday reduced its official discount rate by a half point to a record low 0.5 percent as a way to halt the economic slowdown.

Ashida also said at the meeting that Rengo will support the largest opposition Shinshinto (New Frontier Party) in the next House of Representatives elections.

"A political power to protect workers and citizens should be created to replace the Liberal Democratic Party," he said.

Ashida also heads the 630,000-member Japanese Federation of Textile, Garment, Chemical, Mercantile and Allied Industry Workers' Unions (Zensen Domei), which is the third largest private-sector trade union after auto and electrical workers unions.

Ministry Officials Urged Not To Buy Stocks

*OW1309053195 Tokyo KYODO in English
0450 GMT 13 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — In response to a recent scandal involving a corrupt bureaucrat from the ministry, Chief Cabinet Secretary Koken Nosaka said Wednesday [13 September] senior Finance Ministry officials must not invest in stocks.

"Senior Finance Ministry officials should strictly control themselves and refrain from stock investment," Nosaka said at a news conference.

As the ministry has a bureau in charge of Japan's securities policy, stock investment by ministry officials may cause people's distrust, Nosaka said.

The warning was issued in connection with the recent revelation that a former senior ministry official received more than 50 million yen in gifts over 10 years, which he invested in securities and real estate.

Nosaka also said the government will consider establishing an official code of practice covering financial investments by any bureaucrat.

Agency To Keep Rice Distribution Under Control

*OW0809045595 Tokyo KYODO in English
0431 GMT 8 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 8 KYODO — The Food Agency will keep the entire amount of rice distributed in the country under its control even after a revised food control law takes effect in November, government sources said Friday [8 September].

The sources said the agency plans to make it mandatory for all licensed wholesalers and retailers to receive inspection of all the rice they sell, even rice distributed through channels outside government control.

Rice distributed outside government-controlled channels and sold by licensed dealers will be barred from carrying labels showing the origin of product and brand names, they said.

Those requirements will be maintained despite extensive decontrols on rice production and distribution under the new Food Control Law, they said.

Under the new law, farmers will be allowed to sell rice produced by them to even unregistered dealers if they report the sales volume to the farm minister, the sources said.

The agency's move has drawn strong criticism from distributors because the inspection will result in price hikes of around 600-800 yen per 60 kilograms, they said.

The sources said an estimated 3-4 million tons of rice or more than 30 percent of the total output were distributed through channels outside government control in 1994.

MOT Official Arrested for Alleged Bribery

*OW0709140095 Tokyo KYODO in English
1341 GMT 7 Sep 95*

[FBIS Transcribed Text] Osaka, Sept. 7 KYODO — Prosecutors arrested a Transport Ministry official Thursday [7 September] for allegedly taking bribes from a sash installation company in exchange for giving it favors in airport-related construction projects.

The Osaka District public prosecutors office said it arrested Eiki Eguchi, 42, of the ministry's Osaka Regional Civil Aviation Bureau, and Eiji Tokita, 47, an executive of the Nagasaki-based company, Akebono Sangyo, in connection with the alleged bribery.

Eguchi received more than 1 million yen from Tokita between July 1993 and April this year in exchange for treating the company favorably in six construction projects of airport facilities.

The Osaka Aviation Bureau is in charge of airports in western Japan.

The prosecutors said the bribery came to light after they investigated another bribery scandal relating to construction of commercial facilities at Kansai International Airport, which opened a year ago near Osaka.

An official of Kansai International Airport Co., in charge of operating and managing the airport, and several company executives were arrested earlier this year in connection with the scandal.

Later, investigators learned that several Transport Ministry officials, including Eguchi, were treated to golf by one of the apprehended executives.

Analysts Discuss Military Defenses

*OW1309065095 Tokyo GAIKO FORUM in Japanese
Jul 95 pp 52-61*

[Roundtable discussion by Hisahiko Okazaki, former Japanese ambassador to Thailand; Toshiyuki Shikata, professor of Teikyo University; and Seiki Nishihiro, adviser to the Defense Agency; organized by GAIKO FORUM on 22 May 1995: "Japan Needs To Build Up Its Military Defenses With a Mind to the World 20 Years Hence"; place not given]

[FBIS Translated Text]The Question Is How To Counterbalance China's Growing Military Strength

[GAIKO FORUM] It seems that Japanese people's view of defense is changing, as the end of the Cold War has raised the question of national security. Today, we would like to ask your opinion about this.

[Okazaki] Let me briefly explain the current international situation. The Cold War ended not only in Europe but also in South Asia. For instance, the antagonism between the Soviet Union-India-Afghanistan camp and the United States-Pakistan-Afghan rebel camp is over now. The United States has improved its relations with India, while Pakistan's relations with the United States has deteriorated under the influence of Islamic fundamentalists. The antagonism between Pakistan and India has come to the fore again, as the Pakistan Government has come into closer contact with India's Islamic forces. The East-West confrontation also ended completely in Southeast Asia. For instance, ASEAN has accepted Vietnam as a new member in a bid to counter China's potential threat. Only the situation in the Taiwan Strait and that on the Korean peninsula remain unchanged since the implementation of the Japan-U.S. Security Treaty. The situation has rather worsened there, because the Soviet Union and China have lost the influence they had over these two areas during the Cold War era.

As for Russia, its military deployments in the Far East differ considerably from its developments in Europe. In Europe, during the period between 1989 and 1991, Russian troops pulled back to inland areas that once formed the boundaries of Russia in the early days of Peter the Great. In contrast, there has been no change in Russia's military deployments in the Far East. In other words, the military balance in the Far East is exactly the same as it was before.

[Nishihiro] In my opinion, East Asia is now enjoying the steadiest situation ever, as nations have been brought closer together. Most East Asian governments have as their primary objectives the promotion of economic development and improvement of the standard of living,

and they are achieving success. They also have common interests, as they are of the same opinion that mutual cooperation is indispensable to their economic development. Seen from a mid-term viewpoint, the only problem is that East Asia may become the first region in the world to be confronted with serious global issues, because its economic development is so fast and dynamic. In other words, confusion and confrontation may quickly arise in this part of the world.

For instance, if East Asian people continue to produce and consume things in large quantities, as they are doing now, they will face an absolute shortage of resources. People say that China forms a huge consumer market. But as a matter of fact, China will also become a giant mass-producer as it develops. Then, which market will absorb Chinese-made products? Mass-consumption and mass-production also lead to environmental destruction.

[Shikata] If we regard the Cold War as World War III, the current situation becomes easier to understand. Some 23 million people were killed or injured during the 40-year-long Cold War era, as there have been many hostilities, such as the Korean war, the Vietnam war, and the Middle East war. This toll is almost equivalent to that of a world war. In this sense, the Cold War can be regarded as World War III. World War II broke out less than 20 years after the end of World War I, while the Cold War began only two years after the end of World War II. The Cold War ended around 1989 or 1990. Several years have already passed since then. The current post-Cold War era is likely to be just another between-war period that will last until a new war era comes. Japan raised its head during the period between World Wars I and II. The Soviet Union gathered strength after the end of World War II, and China is gaining power during the post-Cold War era. Thus, how to counterbalance China's growing military strength is the primary question that the international community is now confronted with.

[Okazaki] The Taiwan Strait situation has clearly changed during the past two years, following Taiwan's democratization. Even if the Kuomintang feels inclined to cooperate once again with the Chinese Communist Party, it can no longer go its own way, because it has to respect the will of the people.

[Nishihiro] As for the situation on the Korean peninsula, not many nations want to quickly settle the reunification issue. Both North and South Korea seem to be against drastic change. Both sides want to take time to settle the issue, because they saw what happened to Germany after reunification and what happened to East European nations after the Soviet Union's collapse.

North Korea badly needs economic assistance from the outside, because the country is now in great distress. At the same time, maintaining the current regime is everything to North Korea. Pyongyang will open the door to the permissible extent in a bid to obtain economic assistance from other nations, while trying to keep its regime intact. It will immediately shut the door when it feels that the country is exposed too much to the wind of liberty. It will repeatedly open and shut the door depending on the situation. Therefore, we have to induce Pyongyang to open the door as many times as possible to gradually let outside air into North Korea. We should not provide assistance that will enable North Korea to retire within itself for a long time.

[Shikata] The United States does not care very much about what to do with the North Korea of today. It is thinking more about future relations with Korea after reunification. The United States and North Korea have reached a comprehensive nuclear agreement, whose complete implementation will take a decade. This fact indicates that the U.S. Government has no intention of driving North Korea into a tight corner. Will the unified Korea become anti-American, pro-Chinese, or pro-Russian? As a matter of course, the U.S. Government wants the unified Korea to be pro-American. Thus, it decided to give North Korea enough time so that the reunification process can progress in favor of the United States.

China is fully aware of this. This is why it decided not to join the Korean Energy Development Organization (KEDO), to counter the U.S. move. If North Korea is able to adhere to the nuclear agreement and achieve self-reformation, there will be no problem. A serious military clash is expected to break out if North Korea fails to implement the agreement.

[Okazaki] We have to let the Korean people decide the future of the Korean peninsula. As for Taiwan's future, Japan is not in a position to say this or that. The only thing I can say here is that we should not be very optimistic about the futures of Korea and Taiwan. [Nishihiro] After all, what is most important to Japan is the relation with its ally, namely the United States. Various discussions are now in progress between Japan and the United States at the government level. However, the two nations are only discussing ways and means to cope with the pending issues. As a matter of course, they will have to deal with a growing number of issues as they become more dependent on each other. So they should not be content to tackle problems as they call for attention, because new issues will arise one after another before they can solve the earlier ones. They should rather discuss basic issues from a long-term viewpoint. Unfortunately, such discussions are not held

at all between the two countries. The major problem is that there is no strategic coordination between Japan and the United States.

[Shikata] When assessing the defense capacity of a nation, whether it concerns Japan or China, we should always view things from a long-range viewpoint. Let us consider how China will strengthen its military defenses by 2020. China's population is growing at a rate of 10-12 million people a year. Every year, its acreage under cultivation decreases by several percent. About 17-18 percent of its energy supply is dependent on oil, while its oil demand is registering a yearly increase of about 10 percent. China became an oil importer after 1992. It is mostly dependent on the Middle East. Since it has to bring oil from this part of the world, it cannot but strengthen its naval forces to defend its sea routes. Consequently, Chinese naval vessels will frequently sail across the Southeast Asian seas, as well as the Indian Ocean. India will inevitably react to this. I do not think the situation in such areas as the Strait of Hormuz, the Indian Ocean, the Strait of Malacca, the Spratly Islands, and the Taiwan Strait will stabilize easily.

China will soon face the end of an era, with the death of Deng Xiaoping. In a certain sense, China is also in a bubble economy state. Even after the bursting of its economic bubble, it may continue to increase its military strength. Moreover, China is a country that dares to conduct nuclear testing while the international community works to prevent nuclear proliferation. Under such circumstances, we cannot be optimistic about China's future. Meanwhile, there is also a possibility that China's current regime may court self-destruction. In any case, we should provide against such situations.

[Okazaki] To begin with, discussion of how to solve the Chinese issue is nonsense, because China is not a country susceptible to influence from Japan. Even if Japan takes some action, this will have no effect on China. The main point is whether or not Japan and the United States will be able to adjust their views and act together if something happens. What is important for Japan is to provide against every conceivable contingency and to avoid differences of opinion with the United States should an emergency arise.

[Shikata] During the Cold War era, as far as Japan's national security was concerned, Japan stayed inside a room with one-way glass. In other words, what Japan has been doing could be clearly observed from the outside, but Japan could not see what was going on outside. Japan had three magic terms: "Japan-U.S. Security Treaty," "Protection of Japan's War-Renouncing Consti-

tution," and "Modernization of Japan." Each time Japan was confronted with an unexplainable matter or with a delicate issue, it brushed it off with the help of the relevant magic term. Japan used to say something like, "We have the security agreement with the United States, so let us have the United States do this," or "we cannot do such a thing because we have to observe our war-renouncing Constitution." Japanese people believe that Japan has achieved modernization. However, the reality is that neither Japanese politics and diplomacy nor the Japanese economy seem to have been modernized. When the room with one-way glass collapsed with the end of the Cold War, Japan was suddenly exposed to the outside world. Now, it is confronted with many problems that the three magic terms cannot solve.

[Nishihiro] Unfortunately, the post-Cold War era is uncomfortable for Japanese people. It is easier for Japanese people to live in an era of confrontation. They prefer to remain mysterious. They do not like to show their true colors. When they deal with others, they try to please everyone by assuming a noncommittal attitude. They are satisfied as long as they are able to keep fairly good relations with others. This is in Japanese people's nature. However, in a multipolar world, Japanese people should cultivate true friends by revealing their true colors. The question is how to transform Japan's diplomacy in that direction.

[Okazaki] The end of the Cold War signified the end of Communism. Thus, the Social Democratic Party of Japan (SDPJ) was most affected by this change. I think Japan will never be able to revise the Constitution or have a different interpretation of it to recognize its right to collective self-defense as long as the idea is advanced by the Liberal Democratic Party (LDP) or any other conservative party. However, perhaps this will become possible the day the SDPJ or some other liberal party that may be formed in the near future starts advocating it.

[Shikata] Like a pendulum, Japanese people move from one extreme to another. They once tried to bring Asian nations under control by force of arms. However, after the end of World War II, they suddenly became pro-American, liberalist, and pacifist. Japanese people are unable to stop the movement of their pendulum in the middle. For instance, let us suppose that the Strait of Malacca was blocked after a Japanese tanker was attacked and sunk by an unidentified enemy. I think public opinion would immediately shift in favor of the collective self-defense right or revision of the Constitution. We should be very careful about this.

Japan-U.S. Cooperation Forms the Basis of Japan's Military Defense Buildup

[GAIKO FORUM] Japan's military defenses have gradually changed while the Constitution remained unchanged. Japan's defense program has also been changing since the end of the Cold War. How should we consider our defense capacity from now on?

[Nishihiro] Let me explain how Japan has been increasing its military defenses until now. In my opinion, Japan has been maintained national security by adopting the easiest and less expensive method, which was by becoming a member of the Western world. Japan always adopted a defense policy to suit the convenience of the Western world leader, namely the United States.

Japan never tried to acquire an independent defense capability. It just developed a limited number of functions, as requested by the United States, by adopting the most painless method. Japan made it a principle to remain passive and make minimum efforts.

[Okazaki] I do not view Japan's security policy in that light. The overall situation can be assessed by examining the military balance. In the United States, this is called "net assessment." Based on this concept, the United States concluded that the U.S. Forces in the Far East, in cooperation with Japan's Self-Defense Forces (SDF), finally confined Russia's sea power within the Sea of Japan in the mid-1980's. As Mr. Nishihiro said, Japan is unable to have an independent defense capability. For instance, it cannot equal the United States in naval power, simply because the U.S. Navy and Japan's Maritime SDF do not have the same role. However, in the mid-1980's, Japan acquired perfect defensive capability vis-a-vis the Soviet Union, in cooperation with the United States. Since then, the military balance has remained unchanged. Japan is now playing an even greater role in promoting cooperation with the United States.

[Shikata] In my opinion, a nation becomes a threat to others when the following three conditions are met: First, it has enough capability; second, it has some evil intention; and, third, the international environment stands rather in its favor. The Cold War era was full of evil intentions. The strong confrontation among nations created an international climate in favor of such a tendency. Thus, nations having enough capability were immediately regarded as being a threat to others. Although each nation's capability remained unchanged, the concept of threat disappeared after the Cold War ended because of the disappearance of evil intentions and the change in the international climate.

Evil intentions have almost vanished, but there are still many dangerous situations that may develop into threats. A dangerous situation is caused by what we call destabilizing factors. Destabilizing factors around Japan will become dangerous in the long run. Once a nation harbors an evil intention, and once there is a shift in the international climate, these factors will develop into a crisis. At the moment, there is no threat around Japan; however, danger exists on the 38th parallel. Southeast Asian countries and China have many destabilizing factors, while the future of Far East Russia is also extremely uncertain.

Another point is the role played by nuclear weapons. During the Cold War era, the international community well understood that it was no longer possible to use nuclear weapons. Although nuclear weapons cannot be used militarily, they can be fully utilized politically. This nuclear weapons aspect was emphasized after the end of the Cold War. In other words, even a small nation will be able to acquire strong diplomatic power if it can become a nuclear nation. Therefore, nuclear weapons may also spread like other weapons of mass destruction. If that is the case, a nation like Japan, which vows to remain nonnuclear, will get into trouble.

Does the Japan-U.S. Alliance Really Stand on Solid Ground?

[GAIKO FORUM] In brief, Japan's future is still uncertain, although direct threat has diminished. Thus, cooperation with the United States is vital to Japan's security. Do you think that the Japan-U.S. alliance stands on solid ground?

[Okazaki] The U.S. Defense Department released a report, "U.S. Security Strategy for the East Asia-Pacific Region," last February. The report clearly said: We should not allow trade friction to undermine the security alliance with Japan; we support multilateral security forums, but we believe that such forums should never replace our existing bilateral security arrangements with each country; U.S.-Japan relations are most important; the U.S.-Japan alliance is the linchpin not only of U.S. security policy in East Asia but of U.S. international strategy. When I met Joseph Nye, U.S. assistant secretary of defense, in Washington in May, I asked him: "It is not unusual for the U.S. Government to release one report after another. How long do you think the last Pentagon report will hold good?" He said it will stand as long as the current U.S. administration lasts. So, at the moment, I think there is nothing to worry about in the Japan-U.S. alliance.

[Nishihiro] I highly appreciate Mr. Nye's view, but, unfortunately, this is a minority opinion in the United States. The majority of American people thinks that the

U.S. Government should stop undertaking, alone, the duty of maintaining world peace and security, and that it should instead worry about taking good care of its people. I really appreciate the so-called Nye Initiative, because it was made public amid such a social climate. However, I think the Pentagon report failed to give a full and clear explanation about why the United States is strategically attaching so much importance to the Japan-U.S. alliance. The Japan-U.S. alliance will stand on solid ground only when Japanese and American people share the view that this alliance is indispensable for both countries.

[Shikata] The military confrontation between the United States and the former Soviet Union, as well as the confrontation between the United States and China, is over. However, as the situation is very uncertain in both Russia and China, we still do not know what will happen in the future. Meanwhile, Japan and the United States are bound together by mutual confidence, which has been fostered during the past 40 years under the Japan-U.S. security arrangement. The two countries also have close economic relations. Moreover, Japanese people have begun to share American people's sense of values. Under such circumstances, there is no doubt that Japan and the United States will continue attaching great importance to their bilateral relations, at least until the future of Russia and China becomes certain.

Meanwhile, Japan should not remain passive under the aegis of the Japan-U.S. Security Treaty. During the Cold War era, the Western world's strategy was to contain the Eastern world. The United States attached great importance to Japan, simply because Japan was geopolitically located at the eastern extent of the Western world. Japan remained idle, because it knew that the United States would never desert Japan.

Before the end of the Cold War, the United States used the term "keystone" instead of "linchpin" to describe the Japan-U.S. alliance. This change proves that the United States is now attaching great importance to Japan from a different viewpoint. The word "keystone" sounds static, while "linchpin" symbolizes a dynamic relation.

[Okazaki] I also agree with Mr. Shikata's opinion about the importance of the Japan-U.S. alliance. As long as China remains uncertain, the United States cannot say, "Since the Cold War is over, we do not need Japan anymore." Instead of discussing this issue, the Pentagon report rather focused on the problem related to U.S. bases in Japan. U.S. troops have already pulled out of the Philippines. They will no longer be able to make a stop at Hong Kong in the near future. All U.S. bases located in the Indian Ocean area are totally dependent on supply from Okinawa. For the United States, isn't

its bases in Japan means losing its naval power in the Pacific and Indian Oceans. Without its bases in Japan, the United States will no longer be able to assume its international responsibilities.

Some Americans have been saying that the United States should pull its troops out of Japan if Japan does not make efforts to ease trade friction. However, U.S. experts never had such a silly idea. And for the first time, their opinion has come to the fore in the form of an official report.

[GAIKO FORUM] However, some people in Japan also think that Japan can increase security cooperation with Asian nations if it can no longer cooperate with the United States. The United States must review its security relations with Japan. Otherwise, even if the U.S. Government emphasizes the importance of the Japan-U.S. alliance, American people will never be fully satisfied with this explanation. If the U.S. Government views its alliance with Japan as having global importance, it should use more explicit and attractive expressions to make its people appreciate anew the bilateral security arrangement's value. Otherwise, the U.S. Government will probably face many difficulties in the future.

[Okazaki] I have also often heard that many Japanese favor multilateral security cooperation with Asian nations. I wanted to read some papers or editorials on this issue, but I could not find any. So it seems that people are just talking about it as a trendy topic, without real seriousness.

[Nishihiro] Roughly speaking, Japan has three options. The first is to integrate itself into Asia, whose population continues to grow rapidly. If Japan opts for this, each time it has to reach an agreement with China, it will be compelled to make the most concessions. The second option is to create a self-sufficient economic zone in cooperation with Russia, which has abundant resources and a low population density. The third option is to continue to deal with the rest of the world. If Japan opts for this, it cannot but emphasize cooperation with advanced nations. Everything will depend on which course Japan chooses.

[Shikata] When Japan became a nation-state following the Meiji Restoration, the government endeavored to Westernize the country. After that, it turned its eyes to Asia, and tried to form the Greater East Asia Co-Prosperty Sphere. When it was defeated in its attempt, the government decided to promote Americanization. Japan could survive the Cold War in this way.

Now, Japan has three options: The first is to steer a course independent of other nations by sticking to one-state pacifism. The second is to promote cooperation

with other Asian countries through the East Asian Economic Conference. The third is to promote cooperation with the Asia-Pacific region.

For the United States, Japan is the most reliable nation in the Asia-Pacific region. For instance, Japan is willing and able to provide human, technical, and monetary support, as well as necessary space, to U.S. forward-deployed units. Such assistance is also accepted by other Asian nations. Only North Korea is against the Japan-U.S. security system. The United States thinks that it will be able to establish better relations with Russia and China if the linchpin, namely its relations with Japan, remains solid.

[Nishihiro] After the end of World War II, Japan abandoned its idea of assuming hegemony over East Asia. The competition among China, Russia, and Japan for hegemony, which lasted for more than a century, ended after the end of World War II. However, Japan never wanted Russia or China to have hegemony over East Asia. For many years, the balance among Russia, China, and Japan has been maintained by the presence of Great Britain and the United States. The U.S. presence, as a balancer, was in accord with Japan's national interest of not seeking hegemony. Meanwhile, playing the role of a balancer also served the best interests of the United States, because this helped the United States maintain its influence over a dynamic Asia. The Japan-U.S. alliance should stand on such a common ground.

What Will Happen to the SDF, Which Are Now Asked To Play a Greater Role in the International Community?

[GAIKO FORUM] The Gulf war, Japan's participation in UN peacekeeping operations, and the great Hanshin earthquake gave us the opportunity to reconsider the SDF's role. The SDPJ's one-state pacifism was swept away after the Gulf war, as Japan paved the way toward participation in UN peacekeeping activities. Quite a number of Japanese people now think that one-state pacifism is nothing but an egoistic idea seen from the viewpoint of international contribution. Since Japanese people have begun to view what is going on in the world in a different light, how do you think the SDF's role should be redefined?

[Nishihiro] Strategically speaking, Japan held an important geopolitical position during the Cold War era. For the Soviet Union, Japan meant the gateway to the Asia-Pacific region. Therefore, under the deterrent strategy of the Cold War era, it was extremely important to strengthen the defense of Japan to contain the Soviet Union. Thus, Japan was confident that its assigned duty was to concentrate on self-defense. This is also why

Japan always stood away from what was going on in the Middle East and Africa, because it was persuaded that these issues would be handled by the United States and European nations.

However, Japan is no longer exposed to a specific menace, following the Soviet Union's collapse. Now, each time something happens somewhere in the world, Japan should discharge its duty to a certain degree depending on how much the matter affects Japan's national interests. Japan will have to make greater economic and military contributions. Its contributions should also be diversified. We have to think about what Japan should do amid the change in the international environment. In most cases, SDF troops are not allowed to go abroad unless they participate in UN peacekeeping operations. Thus, we have to clarify how far Japan should take part in international peacekeeping activities and fulfill its responsibilities. We will also have to reorganize the SDF. We should no longer hastily dispatch organized medley units to UN peacekeeping missions.

[Shikata] How to build up military defenses and how to make use of the SDF are two different concepts. For instance, when we say that SDF officials should be equipped with cutting pliers because they will need the tool when dispatched to disaster-stricken areas on rescue missions, or with special outdoor kits because they will need the material when dispatched abroad on UN peacekeeping missions, this has nothing to do with the concept of how to build up military defenses. Rather, this refers to the concept of how to make use of the SDF.

How are military defenses built up? In general, it takes more than 10 years to develop new equipment and put it to practical use. For instance, it took 13 years before the Type 74 tank came out to start replacing the Type 61 tank; then another 16 years before the Type 90 tank came out. However, the Type 74, which was developed in 1974, remains the main tank force of the Ground SDF as of today. Defense programs are generally completed at a range of about 20 years.

Japan is currently working out a defense program aiming at around 2020. When we say that the SDF should be equipped with such and such things, because they will need them in upcoming UN peacekeeping missions, or when we say that they should be organized in such and such ways to prepare for the next UN peacekeeping operations, this has nothing to do with the defense programs, which are prepared from a long-range viewpoint. This is a question of how to make use of the SDF.

Tokyo Governor Yukio Aoshima once said, "Sending the SDF to disaster-stricken areas on rescue missions

is not unconstitutional, but using the SDF as a national military force is." This comment proves that Governor Aoshima is mixing up the two concepts. No one would say, "The SDF should be equipped with such and such equipment because a war may break out next year." No one supposes that Japan will be involved in war five or 10 years hence. However, no one knows what will happen in 2020.

What I want to say here is that a country needs to build up military defenses to provide against unexpected developments in the international situation. Once the SDF are completely equipped with the necessary equipment to defend the nation, they can immediately be utilized for various purposes. They are capable of accomplishing any assigned task, such as participating in UN peacekeeping activities, going to disaster-stricken areas on relief missions, and acting as internal security units, like they did at the time of the nerve gas attack in the Tokyo subway system. Like Governor Aoshima, people will arrive at an absurd conclusion unless they draw a hard line between the two concepts.

[Okazaki] The question is how to spend the 4 trillion yen defense budget. Only a small amount of money is appropriated for international peacekeeping activities from the defense budget. However, even if the budget for international peacekeeping activities is limited, the SDF are capable of fulfilling their duties as long as they are fully equipped with the necessary equipment to defend the nation. If Japan were to remove its constitutional restraints on the right to collective self-defense, and if Japan were to participate in multinational forces, the SDF would be quite able to undertake one-tenth the tasks to be accomplished by the multinational forces.

What is important is to work out a defense program from the viewpoint of national defense and not from the viewpoint of international peacekeeping operations. After all, bilateral relations are always affected by the existing military balance, regardless of each other's intentions. For instance, if Russia has enough capability to occupy Hokkaido, Russia is able to negotiate with Japan from a position of strength, even in time of peace. However, if Japan has enough capability to counter Russia's military force, it will be able to negotiate standing on a footing of equality. Thus, Japan's military defenses should be built up by taking into consideration the military balance with neighbor nations. There should be no problem if Japan is able to counter Russia, in cooperation with the United States, over the next 10 years. However, it is certain that China will become a problem after 10 years.

[Nishihiro] I agree with Mr. Shikata about the way the SDF should be organized. I am also very skeptical about the idea of having a special unit for UN peacekeeping activities and another for disaster relief activities, both entirely separate from the SDF. To begin with, I have no idea what kind of function these special units will have. For instance, will the special disaster relief units function as engineering equipment units or as food supply units? What is more important is to make the SDF acquire various faculties so that they can cope with different situations with great mobility. For instance, there is now a wide range of UN peacekeeping missions, such as communications duty, transportation duty, and escort duty. Thus, it is not possible to fix the function of a task force specializing in UN peacekeeping missions.

We should think more about how Japan can efficiently fulfill its international responsibility through the United Nations. It is not possible for Japan to have an independent defense capability. Thus, it is also important to think about what military function Japan should emphasize within the framework of the Japan-U.S. Security Treaty.

[Shikata] SDF officials should be perfectly self-dependent, because once a war breaks out, they will be engaged in a mortal fight at a place with no infrastructure. If they are properly trained to become perfectly self-dependent, they will have no difficulty in carrying out their rescue missions in disaster-stricken areas. So the idea of making the SDF provide against possible disasters is totally absurd.

SDF officials did a great job after the great Hanshin earthquake. However, their first action was rather slow and modest, contrary to people's expectations. Although each SDF official was competent enough, the delay occurred because of a lack of software needed for this kind of situation.

Japanese peacekeepers also had similar problems. SDF officials are not allowed to open fire unless they receive orders from their commander. Although they are instructed to act on orders when they are in Japan, they are asked to act on their own responsibilities and to decide by themselves whether or not they should fire under certain circumstances when they are dispatched abroad on UN peacekeeping missions. Instead of putting Japanese peacekeepers in an awkward situation, the government should do its best to enact new laws that deal with SDF operations in times of emergency. What Should Japan Do To Occupy an Honored Place in the International

Community, as Stipulated in the Preamble of the Japanese Constitution?

[GAIKO FORUM] When the earthquake hit the Hanshin area, Hyogo Prefecture did not immediately call the SDF for assistance, because the local government had a certain aversion to the SDF, whose constitutionality has always been at issue.

[Okazaki] The SDF of today have nothing to do with the Constitution. The nation's inherent right to defend itself provides a basis for the SDF. The Constitution does not refer to the nation's inherent right of self-defense. The French word for inherent is "naturel." This means that the right of self-defense is a natural right. And a natural right is a priori to the Constitution.

[Nishihiro] Personally, I do not think the current Constitution is causing the SDF big trouble. Neither the government's interpretation of the Constitution nor the opinion of the experts is absolutely right, because their arguments are always affected by the political conditions of the times. For instance, some people say that the dispatch of the SDF to defend an allied nation when Japan itself is not attacked is unconstitutional, because this corresponds to use of the right to collective self-defense. I do not view the right to collective self-defense in that light at all. In my opinion, Japan and the United States recognized each other's right to collective self-defense when they concluded the Security Treaty.

[Shikata] The preamble of the Constitution stipulates that Japan desires to occupy an honored place in the international community. If Japan wants to strictly observe the Constitution, it has to materialize its desire. However, this is something very difficult for Japan. During the Gulf war, although Japan was heavily dependent on Persian Gulf states for its oil, the Japanese Government had the nerve to ask, "How much money do you want us to contribute?" while young people from other nations were sacrificing their lives in the cause of justice. Such a country can never occupy an honored place in the international community.

The Gulf war broke out just at the end of the Cold War, in a symbolic way. Before the Gulf war, the world was divided into two camps. Under the collective self-defense setup, nations regarded an attack on one as an attack on all and agreed to meet such aggression together. The Gulf war brought about the new concept of collective security. Under a collective security setup, each time a nation violates a rule approved by everyone, other nations will join efforts to apply sanctions against the violator. I think the collective self-defense setup will gradually be replaced by a collective or cooperative security setup. If, after approving the rules of the new collective security setup, Japan were to overlook the

behavior of the violator, or if it were to make only monetary contributions, or if it were to provide official development assistance [ODA] to the violator, saying that ODA has nothing to do with collective security, it would never be able to occupy an honored place in the international community.

I think Japan should definitely revise its Constitution. Although many constitutional scholars have been passionately discussing the SDF's constitutionality over the past 40 years, they could not draw any definite conclusion. This is simply because the Constitution is poorly written. In general, a good constitution is one whose sentences are easy to understand for everyone who has finished their compulsory education. If Japan continues saying, "We fully understand the situation, but we can make only monetary contributions because the dispatch of the SDF abroad is not possible due to constitutional restraints," even after the establishment of a collective security setup, Japan will immediately come to a standstill.

[GAIKO FORUM] Providing against contingencies is very important to every nation. However, nations should take care not to cause others unease by doing so. Thank you very much for attending the roundtable talk.

Murayama Warns Kubo Over Remark About Quitting

OW1309093995 Tokyo KYODO in English
0902 GMT 13 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 13 KYODO — Prime Minister Tomiichi Murayama on Wednesday [13 September] expressed displeasure over a remark by a senior official of his Social Democratic Party (SDP) that the premier may quit at the end of this year, a government spokesman said.

Murayama, now on a tour of the Middle East, said in his message he is doing his utmost to allay concerns about the future course of the Japanese economy and urged Kubo not to talk about the political situation, Chief Cabinet Secretary Koken Nosaka told a news conference.

Nosaka said Murayama has conveyed his message through an aide.

In an interview with the TOKYO SHIMBUN newspaper published Wednesday morning, Kubo said Murayama may leave office at the end of the year after the compilation of the fiscal 1996 national budget.

Nosaka, a close aide to Murayama, said he has since met Kubo to relay the premier's warning. Kubo, the SDP's No. 2 man, was quoted as saying he has not expressed himself accurately.

Coalition To Seek 40-Day Diet Session 29 Sep

OW1109124495 Tokyo KYODO in English
1117 GMT 11 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — The ruling coalition said Monday [11 September] it will seek to convene a 40-day extraordinary session of the Diet on Sept. 29 to discuss a second supplementary budget for fiscal 1995 and consider a bill to revise the law on religious organizations.

The extraordinary session will be 10 days shorter than originally planned, but the coalition hopes to conclude its work before the Asia-Pacific Economic Cooperation (APEC) forum convenes in Osaka on Nov. 16, coalition sources said.

Table of Parliamentary Strength in Both Houses

OW0809110695 Tokyo KYODO in English
0936 GMT 8 Sep 95

[FBI Transcribed Text] Tokyo, Sept. 8 KYODO — The following is a table of parliamentary strength in both houses of the Diet following independent House of Representatives lawmaker Eitaro Itoyama's joining Friday [8 September] in the Liberal Democratic Party's parliamentary bloc.

House of Representatives	House of Councillors
Ruling coalition	
LDP 210	LDP 111
SDP 64	SDP 39
New Party Sakigake 20	New Party Sakigake 3
Opposition	
Shinshinto 169	Heisei Kai 68
JCP 15	JCP 14
Minshu-no-kai 5	Shin Ryokufu-kai 5
New Democratic Club 3	Niin Club 4
Independent Club 3	Citizen Peace 2
Independents 11	Independents 6
Vacancies 11	Vacancies 0
Total 511	252

note: LDP is the Liberal Democratic Party, SDP is the Social Democratic Party, and JCP is the Japanese Communist Party.

Firms To Launch Fax Parts Business in China

OW1109125295 Tokyo KYODO in English
1008 GMT 11 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — Mitsubishi electric Corp. and Itochu Corp. said Monday [11 September] they will set up a joint venture with local firms in Shandong, China, to start producing reading and printing equipment for facsimiles next spring.

Under the plan, the joint venture Shandong Hualing Electronics Co. will be capitalized at 16 million U.S. dollars, 26 percent of which will be put up by Mitsubishi Electric, 24 percent by Itochu and the remainder by two Chinese manufacturers, they said.

The joint venture plans to supply such equipment to firms there which manufacture the body of facsimiles, and to produce 600,000 reading units and 1.2 million printing units annually, they said.

Currently, China imports all basic parts of facsimiles despite a rapidly increasing demand. The government therefore declared the need for a domestic production policy of facsimiles backed up by foreign capital.

Die Maker, Others Eligible for Financial Support

OW1109125695 Tokyo KYODO in English
1100 GMT 11 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 11 KYODO — The government on Monday [11 September] designated die makers and three other industries as eligible for its support under the law to promote the modernization of smaller businesses, officials said.

The three other industries are makers of home-delivery medicines, plasterers and liquor sellers, the officials said.

Under the law, the government provides financial support and tax breaks to companies required to carry out rapid structural changes in accordance with modernization programs mapped out by the industries and approved by the government.

The die-making industry is faced with persistently weak demand as automakers have increased the common use of parts for different car models and extended model changeover periods, the officials said. Some 1,000 die producers will get governmental support for structural changes.

The addition of the four industries and removal of three industries, including lubricant makers, have brought the number of industries eligible for the support to 43, the officials said.

Toyota, Vietnamese To Set Up Joint Venture

OW0709054395 Tokyo KYODO in English
0459 GMT 7 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 7 KYODO — Toyota Motor Corp. said Thursday [7 September] it will set up a joint venture in Vietnam with two local concerns to manufacture and sell automobiles from late 1997.

The joint firm, to be named Toyota Motor Vietnam Co., will be established in Phuc Thang in Vinh Phu Province, about 25 kilometers northwest of Hanoi, with a capital of 49.14 million U.S. dollars, Toyota said.

Toyota said it will put up 70 percent of the capital while the remainder will be provided by the two partners — 20 percent by Vietnam Engine and Agricultural Machinery Corp. and 10 percent by Kuo (Asia) Pte Ltd.

Under the \$100 million project, the new company will produce compact commercial vehicles and passengers cars at a combined rate of 10,000 vehicles in the initial year and 20,000 vehicles when output is in a full swing, Toyota said.

Fuji Film, Fuji Xerox Develop Internet System

OW1209145095 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 11 Sep 95 Morning Edition p 13

[FBIS Translated Text] Fuji Photo Film and Fuji Xerox have jointly developed an on-demand computer publicity network system which is capable of promptly supplying various news releases and reports related to Japan-U.S. trade frictions. The system will enable prompt relaying of manuscripts prepared on personal computers through Internet, the largest global computer communications network. Moreover, it is capable of instantly printing and binding the required number of copies using Fuji Xerox color copy machines and dedicated printers. The system will not only be capable of distributing news releases to press clubs for reporting through newspapers and television programs, but also it is most likely that this move, which means that enterprises may function as their own press agency, will have an impact on corporate public relations systems.

To use the publicity system, called the "Fast Production Electronic Publishing System," a public relations official must first work up a manuscript on a word processor or a personal computer; and then he has to input it into a Power Macintosh personal computer using floppy disks (FD) or a mail-transmission method. The final draft should be completely prepared on the computer screen for transmitting or printing. As soon as the press embargo is removed, the manuscript will be transmitted onto the Internet from the personal computer.

Moreover, the manuscript can be transmitted to a Fuji Xerox "A-Color" color copy machine and a dedicated printing and bookbinding system, "Docutech," to print and bind the necessary number of copies. Taking into consideration the fact that personal computers are still not used widely enough in Japan, the necessary number of copies of printed and bound news releases and reports will be distributed by mail to members of the media and customers.

Fuji Film experimentally released its refutation entitled "Falsification of History" on 31 July to refute U.S. Eastman Kodak's suit filed under Section 301 of the U.S. Trade Act via the Internet, FD, and printed text. Fuji Film formed an Internet group within its public relations department in September with the development of the new system, and ordinary press releases on its new products and other matters will also be promptly reported through the new system.

Anyone who has access to the Internet using a personal computer can read Fuji Film's news releases.

Fuji Xerox's Document Solution Center, which developed the new system, hopes to obtain orders for the system from enterprises other than Fuji Film.

Internet English Translation Software Developed
OW1209144495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Sep 95 Morning Edition p 15

[FBIS Translated Text] Kamashima Industrial Corp. [KIC; name as published], a computer software company, (located in Minato Ward, Tokyo; headed by Nobuo Kamashima, president) has developed and put on sale software called "Transpad [name as published]." Since the corporation started selling Transpad — designed to exclusively support those using English translation when accessing the Internet — two months ago; over 10,000 copies have been sold. The software has the capability of a high translation speed at 200,000 words per hour (when using a 90 MHz Pentium) and a price of 14,800 yen, which is less than half the price of software produced by other companies. Since English is "the official language" on the Internet, many people feel uneasy about accessing the Internet [because of the language problem.] Therefore, in developing this software, the corporation has taken these users into consideration.

It has been assumed that "it is impossible for computers to do perfect translation," (as stated by Makoto Kawashima, head of KIC's sales policy department). Based on this assumption, KIC has attached greater importance to translation speed than to translation perfection in developing Transpad. It is said that Transpad has a basic dictionary of 500,000 words, and it is capable of promptly recognizing elements of English sentences

such as subjects, verbs, and objects. Moreover, it is said that "Transpad is capable of doing instantaneous translation [shunji honyaku]," (as stated by a KIC source). Thus, this software is suitable for those who access the Internet, because users are asked to pay additional per-minute access fees.

In this connection, three personal computer makers reportedly have consulted with KIC on preinstallation of the software. At present, there are approximately 1,600,000 Internet users in Japan, and Internet-related business is also expanding.

North Korea

Joint Communiqué on Talks With KEDO Viewed
SK1309104395 Pyongyang KCNA in English 1034 GMT 13 Sep 95

["Joint Communiqué on Negotiations Between DPRK Working Delegation and KEDO Delegation" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — A working delegation of the Democratic People's Republic of Korea and a delegation of the Korean Peninsula Energy Development Organisation (KEDO) held negotiations in Kuala Lumpur on September 11-12 to conclude an agreement on light-water reactor project.

A joint communiqué was published at the end of the negotiations.

According to it, the sides agreed to make joint efforts to conclude an agreement on the light-water reactor project at the earliest date possible, sharing the view that the recent negotiations were part of the political process to provide light-water reactors to the DPRK under the DPRK-U.S. framework agreement of October 21, 1994 and the DPRK-U.S. joint press statement in Kuala Lumpur dated June 13, 1995.

The sides also agreed to continue expert-level talks in Kuala Lumpur within the framework of the negotiations.

IAEA Delegation Arrives in Pyongyang
SK1209152795 Pyongyang KCNA in English 1522 GMT 12 Sep 95

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — A delegation of the International Atomic Energy Agency (IAEA) arrived here today by air to participate in the 3rd round of negotiation on freezing nuclear facilities according to the DPRK-U.S. agreed framework.

Nation Requests \$491 Million in Flood Aid*OW1309033095 Tokyo KYODO in English
0306 GMT 13 Sep 95*

[FBIS Transcribed Text] Geneva, Sept. 13 KYODO — North Korea has asked the United Nations for nearly half a billion dollars to provide the victims of this summer's floods with the daily necessities that were lost or damaged when their houses were destroyed.

According to a North Korean report made available Tuesday [12 September] to KYODO NEWS SERVICE, the government requested 491 million dollars to resupply the residents of nearly 100,000 destroyed homes, along with requests for grain, fuel, medicines and construction materials.

The UN, meanwhile, has asked the international community for 15.7 million dollars to help the half million people in North Korea left homeless in the wake of torrential rains and widespread flooding in July and August.

Ola Almgren, head of a special UN fact-finding mission to North Korea, told reporters earlier in the day that his team had been able to confirm the extent of massive damage from the floods, which leveled about 1.2 million hectares, or roughly half of the country's farmland.

The Almgren mission, sponsored by the UN Department of humanitarian affairs, said in a report that the communist country is anticipating a grain shortfall of about 3.9 million tons.

The North Koreans also told the UN mission that 4,600 of the nation's 9,800 elementary and junior high schools suffered damage from torrential rains between late July and mid-August.

UN sources said that the United States and three northern European countries have so far pledged a total of 400,000 dollars in disaster relief contributions, far short of the UN estimate of the aid required.

Japan and South Korea are still studying the aid request.

In the North Korean report, Pyongyang estimated post-flood grain losses at 1.08 million tons of rice and 818,000 tons of corn, which, together with other losses, would leave North Korea 3.9 million tons short of its estimated annual requirement of 7.8 million tons.

Among the sundries needed by the North Korean flood victims are 10,000 tons of cotton for quilts, padded clothing and underwear for the coming winter, 200,000 blankets, 200,000 tons of salt and 5,000 tons of soap.

The report detailed a lengthy list of emergency medical supplies and equipment, including 10 million units of

cholera vaccine, appearing to confirm South Korean reports of a major cholera epidemic in North Korea.

With roads and bridges reportedly washed out by the flooding, North Korea also asked for construction equipment, 100 excavators and 300 10-ton trucks, as well as 21,000 tons of steel, 266,000 tons of lumber and 2,000 tons of aluminum.

For fuel, North Korea asked for 150,000 tons of gasoline and 250,000 tons of diesel oil.

In what Pyongyang described as the heaviest rainfall in a century, an average daily rainfall of 583 millimeters was recorded over wide areas of North Korea from July 30 to Aug. 18, with reports of 600 millimeters falling in 1-2 hours in some regions.

The report said that 5.2 million people in 145 counties of eight provinces became victims of the flooding, with the damage estimated initially at 15 billion dollars.

Radio Denounces South Defense White Paper*SK1309142795 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 13 Sep 95*

[FBIS Translated Text] According to a radio report from Seoul, the South Korean puppet Defense Ministry openly specified us as the main enemy in the 1995-96 edition of the National Defense White Paper to be published soon.

This clearly exposes their ambition to achieve national reunification through victory over communism by means of force.

Like the proverb "a short-lived puppy does not fear a tiger," the puppets rave about the so-called main enemy and so forth. This is indeed laughable.

This rash act of the South Korean puppets, who define their dialogue partner as the main enemy behind their backs while loudly talking about dialogue to their face, clearly shows that they themselves are the antinational and antireunification forces who destroy reconciliation and the unity of the nation and who pursue only confrontation and division.

NDFSK Organizations Praise Kim Chong-il*SK1309103995 Pyongyang KCNA in English
1011 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — The South Korean people of all strata are warmly revering the great leader Comrade Kim Chong-il, the Seoul-based Voice of National Salvation quoted

the provincial committees of the National Democratic Front of South Korea [NDFS-K] as saying.

A unionist Choe in Songtan city said that the entire fellow countrymen have a belief in and optimistic view of national reunification in the 90s as they have the leader Kim Chong-il the centre of the great unity of the whole nation. The unionist was talking about the question of reunification with his friends, according to the Kyonggi Provincial Committee of the NDFS-K.

He went on:

"The leader Kim Chong-il is worshipped as the greatest man with an outstanding idea and leadership ability as well as noble virtues as his natural gifts.

"The leader Kim Chong-il embraces the entire countrymen without discrimination with his magnanimous and benevolent politics of love and trust. His is a great parental care."

The Seoul Municipal Committee of the NDFS-K quoted Kim Chol-chin, a dissident in Tongdaemun District, Seoul, as telling his friends:

"General Kim Chong-il, successor to President Kim Il-song, is the lodestar of reunification and the centre of the great unity of the Korean nation.

"The reunification of Korea will no doubt be achieved in the 90s as we have a fair and aboveboard method of reunification put forward by President Kim Il-song and as General Kim Chong-il leads the movement of reunification in the van.

"Let us further accelerate the reunification movement, upholding the teachings of General Kim Chong-il for reunification."

Kim Yong-sik, a school teacher and a member of the Society for the Study of New Ideas, a group of teachers in Chunchon city, South Korean Kangwon Province, gave his impressions of Comrade Kim Chong-il's work "Socialism Is a Science", according to the Kangwon provincial committee or the NDFS-K.

He said:

"I was really attracted by his deep philosophical thought and theory.

"General Kim Chong-il is an outstanding great man who propounds excellent ideas and theories.

"I firmly believe in the future of socialism and the nation as he leads us."

Students Urge Punishment of Kwangju Culprits

SK1309061595 Pyongyang KCNA in English
0446 GMT 13 Sep 95

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — Some 500 students of Chonnam National and Choson Universities, South Korea, who are affiliated with the Kwangju-South Cholla Provincial Federation of General Student Councils, on Tuesday, went to the Kwangju office of the "Democratic Liberal Party" and staged a fierce demonstration, demanding the punishment of those involved in the May 18 bloodbath, according to a radio report from Seoul.

They urged the "government" and the "National Assembly" to enact a special law for the punishment of the architects of the May 18 massacre during the ongoing regular session of the "National Assembly."

The fascist clique, upset by this, let the police fire tear-gas to disperse them. The students, however, continued the demonstration.

CPPCC Delegation Leaves Pyongyang 13 Sep

SK1309111395 Pyongyang KCNA in English
1037 GMT 13 Sep 95

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — The delegation of the National Committee of the Chinese People's Political Consultative Conference [CPPCC] led by its Vice-President Wan Guoquan went back home today by air after successfully winding up its itinerary of 8 days' visit to the DPRK.

The delegation visited Mangyongdae, the West Sea [Yellow Sea] Barrage, the International Friendship Exhibition, the May Day Stadium, the Pyongyang Metro and other places and saw an acrobatic performance during its stay.

Daily's Commentary on U.S.-Japan Alliance

SK1209131295 Pyongyang Korean Central Broadcasting Network in Korean
1225 GMT 11 Sep 95

[Corrected version of NODONG SINMUN 11 September commentary: "Anachronistic Wild Dream"; originally filed as SK1209115195; explanatory notes describe differences from original FBIS version]

[FBIS Translated Text] It was learned that the United States and Japan recently discussed reexamining the content of the U.S.-Japan Security Treaty.

The focus of the reexamination is that the treaty should enable the United States and Japan to cope with unstable situations in the world in cooperation with each other.

In other words, by reinforcing the U.S.-Japan security system, they should be able to deal with new threats that may break out anywhere.

During talks held some time ago in Honolulu, the U.S. secretary of defense and the director general of Japan's Defense Agency stressed that the U.S.-Japan Security Treaty is of great significance not only for the two nations, but also for the Asia-Pacific region.

It was also learned that top leaders from the United States and Japan will announce a joint statement in November to attach importance and significance to the U.S.-Japan Security Treaty.

As for the U.S.-Japan Security Treaty, it is a remnant of the Cold War era. When the East-West confrontation was acute, the United States and Japan concluded this treaty on the pretext of the communist threat and the southward threat of the Soviet Union. Thus, they intensified their military alliance.

Today, when the Cold War has ended and the threat of the former Soviet Union is eliminated, the U.S.-Japan Security Treaty has no need to exist, and the U.S.-Japan military alliance should naturally be dissolved. Nevertheless, the United States and Japan are trying to further strengthen the security system based on the security treaty because they have their own aims to pursue.

The United States is attempting to strengthen the U.S.-Japan security system in order to effectively use Japan to implement its long-range strategy toward Asia. By creating a free trade zone and by forming a multinational security consultative organ in the Asian-Pacific region in the 21st century, the United States is trying to grasp the leadership in this area. This is precisely the strategic goal the United States pursues. To attain this goal, the United States should be able to take control of [turo chwioya handa] Japan, which is a major economic nation and a strong military power.

Means for the United States to take control of Japan are to bind Japan with the U.S.-Japan security system. In other words, by binding Japan and dragging it into the forefront by military means, the United States is trying to cope with the challenges that may possibly occur in the Asia-Pacific region and to build a secure position as the ruler.

Today, Japan is actively accelerating its becoming a major military power. Japan, which harbors the will for revenge and schemes to grasp hegemonism in the Asia-Pacific region, may challenge the United States at any time by fostering its strength.

This being the case, the United States is trying to curb Japan from becoming a major military power by rebuilding the U.S.-Japan security system and keeping Japan under its control.

On the other hand, Japan is attempting to achieve its aim by rebuilding the Japan-U.S. security system. In other words, Japan is trying to strengthen its position and role within the scope of the Japan-U.S. Security Treaty and to hold the United States in check [kyonje handa] by pushing ahead with the collective security dialogue with Asian countries. This is directly linked to Japan's ambition to dominate Asia.

The Japanese rulers themselves said that when the U.S.-Japan alliance is reinforced, based on the Japan-U.S. Security Treaty, only then can Japan enhance its position and role in the Asia-Pacific region. The fact that the United States and Japan emphasized the significance of U.S.-Japan Security Treaty in one way or the other merely exposes their aims to realize their domination of Asia.

The main target of the intensified military collusive alliance between the United States and Japan is none other than our Republic. This is shown in remarks made by U.S. and Japanese military authorities concerning our so-called threat, while babbling about rebuilding the U.S.-Japan security system.

It is no secret that the United States and Japan assume the DPRK as the first target of invasion in Asia. The U.S.-Japan joint military exercises have been strengthened, focusing their aggression on Korea. This is related to the recent U.S. call to establish at an early date a system of support by the Japanese armed forces during an emergency on the Korean peninsula [rewording per monitor recheck].

The United States and Japan are trying to realize their ambition for domination by means of force in collusion with each other. This is indeed an anachronistic wild dream.

Intensified military collusion between the United States and Japan through their security system will only arouse the Asian people's sense of vigilance against them.

Commentator Views Newspaper Article

*SK1309110395 Pyongyang KCNA in English
1028 GMT 13 Sep 95*

["True Face of Venal Newspaper Brought To Light; KCNA Commentator's Article" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — Political frauds of the South Korean puppets

and the true colors of the Japanese SANKEI SHIMBUN, a venal paper, have been brought to light.

As already reported, SANKEI SHIMBUN On September 1 let out a string of ill-intentioned, frivolous rubbish, contending that a report submitted by the DPRK to the UN Humanitarian Affairs Department on heavy damage caused by unheard-of floods which hit the northern half of Korea was "exaggerated" and the "figure was groundless". Its argument was said to be based on "information sources" of South Korea.

We, considering that news people of the SANKEI SHIMBUN are micky [as received] enough to sell the honor of the press in return for a few pennies as well as the conscience of man, have seriously warned them not to play the role of a political waiting maid at the beck and call of the South Korean "Agency for National Security Planning" [ANSP].

Judging from the situation created since then, our warning was appropriate, a serious warning for the SANKEI SHIMBUN to stop rash act for the existence as a mass medium.

Recently the flood damage survey teams from the UN Humanitarian Affairs Department, U.N. affiliated and professional organisations visited the DPRK, acquainted themselves with the heavy damage consequent upon floods and recognised, through their on-site inspection, that our report on flood damage was right.

The panel cited the data confirmed through their on-the-spot inspection to make public the actual situation on flood damage on six occasions in Geneva and asked for humanitarian assistance from all countries.

It is the South Korean puppets and the writers of the SANKEI SHIMBUN in the service of them who are engaged in vicious distortion of the facts.

By lacerating the fellow countrymen in misfortune again, the South Korean puppets self-exposed that they are a herd of arch traitors who have no idea of the nation, human morality and ethics. By joining hands with the "ANSP" of South Korea in anti-DPRK smear campaign the SANKEI SHIMBUN showed that it is a group of hack writers.

We cannot but ask the writers of the SANKEI SHIMBUN what the mission of the press is. They even insulted the noble humanitarian spirit of the UN members concerned and devoted services of organisations from the world body.

The SANKEI SHIMBUN sold off the sense of valuable mission of the press and conscience in return for a few pennies. By conspiring with the "ANSP" of South Korea

colony the venal paper committed the most mucky act ever known in history.

Clear is the reason why the SANKEI SHIMBUN has been reduced to a group of hack writers. The reason is that while disliking the normalisation of diplomatic relations between the DPRK and Japan it has sided with the South Korean puppets who are seeking division and confrontation.

This is eloquently proved by a heinous, false report of the SANKEI SHIMBUN over the recent rice problem.

By spreading a "scenario" made by the "ANSP" in Japan through various forms the SANKEI SHIMBUN was trying to incite anti-DPRK antagonism among the Japanese people, but in vain. Their attempt only resulted in tarnishing their image along the people.

In joining in the smear campaign of the "ANSP" of South Korea the SANKEI SHIMBUN fully betrayed its true colors before the eyes of the international community and fled in the face of the UN and other international humanitarian organisations. With nothing can it shift the blame for the crime.

The South Korean puppets should clearly know that it is the height of impudence for them to try to mount an anti-DPRK campaign and put a spoke in the wheel of the normalisation of diplomatic ties between the DPRK and Japan with such a venal paper as the SANKEI SHIMBUN.

If the SANKEI SHIMBUN wants to survive as a press organ, it should stop joining in the anti-DPRK campaign of the South Korean puppets and choose to rectify its false report.

Chongnyon Congratulatory Delegation Departs
SK1209213395 Pyongyang KCNA in English
1518 GMT 12 Sep 95

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — The congratulatory group of Koreans in Japan led by O Hyong-chin, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), left here today after visiting the socialist homeland to celebrate the 47th anniversary of the Democratic People's Republic of Korea.

The group was seen off at the airport by Kim Yong-sun, Chang Chol and other officials concerned.

Before leaving here, the members of the congratulatory group laid bunches of flowers and made a bow before the statue of the great leader President Kim Il-song on Mansu Hill.

Congratulatory Message Sent to Chongnyon*SK1209213095 Pyongyang KCNA in English
1516 GMT 12 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — The Central People's Committee of the Democratic People's Republic of Korea today sent a congratulatory message to the 17th Congress of the General Association of Korean Residents in Japan (Chongnyon).

The message says:

The steadfast faith to hold the fatherly leader Comrade Kim Il-song in high esteem for all ages, uphold the great leader General Kim Chong-il with loyalty and take a road of patriotism has been rooted deep in the minds of the Chongnyon officials and compatriots in Japan. This is the most precious success achieved by Chongnyon.

By conducting the noble patriotic activities, Chongnyon has made an excellent contribution to the glorious struggle of the Korean people to accomplish the chuche revolutionary cause and displayed the honor as pioneer of patriotism and model of the movement of overseas compatriots in the world.

The 17th Congress of Chongnyon will mark an epoch-making occasion in consolidating Chongnyon into a true mass patriotic organization and strengthening and developing the movement of Koreans in Japan to suit a new circumstance, true to the historic letter sent by the great leader General Kim Chong-il.

The message sincerely wishes good success to the congress.

Editorials Congratulate Chongnyon Congress*SK1309085995 Pyongyang KCNA in English
0512 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — NODONG SINMUN and MINJU CHOSON today carry editorials congratulating the 17th Congress of the General Association of Korean Residents in Japan (Chongnyon). Chongnyon is an authoritative overseas compatriots' organization of the Democratic People's Republic of Korea.

"The people in the homeland are extending warm congratulations to the 17th Congress of Chongnyon which will mark a new milestone for the movement of Koreans in Japan on a fresh stage of its development," NODONG SINMUN notes in its editorial.

"The congress," it says, "will discuss and decide an action programme of Chongnyon and Korean residents in Japan and measures to carry through the highly important tasks, laid down in the great leader Comrade

Kim Chong-il's historic letter 'On Developing the Movement of Koreans in Japan Onto a New Higher Stage', under his leadership true to the behests of the great leader Comrade Kim Il-song."

"Since the 16th congress, Chongnyon officials and compatriots in Japan have made long strides of victory, braving out all difficulties and hardships without the slightest vacillation even under the anti-Chongnyon smear campaigns by the reactionaries within and without, with the firm faith that they have nothing to fear as they are always under the leadership and care of Comrade Kim Chong-il," the paper notes, and goes on:

"Last year when Comrade Kim Il-song, the founder and leader of Chongnyon and a benefactor of their rebirth, suddenly passed away Chongnyon officials and compatriots in Japan were overcome with the bitterest sorrow at his death and hardened their determination to carry through what he intended and instructed in his lifetime, without fail.

"Today they are more reliably prepared to be true overseas citizens of chuche type and ardent patriots unfailingly loyal to Comrade Kim Il-song and respected Comrade Kim Chong-il. This is the most precious fruition Chongnyon has made during the period under review and it is a sure guarantee for strengthening and developing Chongnyon into a patriotic organization of chuche which advances under the guidance of Comrade Kim Chong-il, holding Comrade Kim Il-song in high esteem for all ages.

"Over the period under review Chongnyon and compatriots in Japan have struggled to defend their country, their homeland without the slightest vacillation even under the grim situation, in which the world's imperialist reactionaries have continued their anti-socialist, anti-DPRK moves, and made a big contribution to the prosperity and development of the socialist homeland."

MINJU CHOSON expresses the belief that the 17th Congress of Chongnyon will be successfully held in conformity with the great expectation of the people in the homeland and 700,000 compatriots in Japan, by the positive efforts of the delegates.

Overseas Parties Support Cause of Reunification*SK1109150895 Pyongyang KCNA in English
1505 GMT 11 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 11 (KCNA) — Rafiq Ahmad Sheikh, secretary general of the Pakistan People's Party, Ngoy Nduba, secretary general of the Lumumba Democratic Party of Zaire, and Baltasar Ignacio Balades Montoya [spelling of names as received], chairman of the National Committee of

the Mexico Democratic Party, when they met DPRK ambassadors, warmly congratulated the Korean people on the 47th anniversary of the foundation of the Democratic People's Republic of Korea and extended solidarity to their struggle for the reunification of their country.

The secretary general of the Pakistan People's Party said that the proposal for reunification through confederacy is an excellent one and the overture for establishing a new peace-keeping mechanism to avert war and preserve peace in Korea is a very important and just one.

Our Pakistan People's Party will actively take every conceivable measure of solidarity for reunification and peace of Korea, he stressed.

The secretary general of the Lumumba Democratic Party of Zaire said that they would in the future, too, resolutely support the struggle of the Workers' Party and people of Korea to accomplish the revolutionary cause of *chuche* started by the great leader Comrade Kim Il-song and achieve the independent and peaceful reunification of the country.

The chairman of the National Committee of the Mexico Democratic Party noted that with the absolute support and respect of the Korean people his excellency the Great Leader Kim Il-song performed undying exploits, which will be recorded forever in the human history, for the Korean revolution and the sacred cause of realizing the aspirations and demands of the world people.

The Korean people are guided by another great leader, he said.

He expressed the hope that the DPRK would strengthen and develop into a more prosperous and powerful country under the wise leadership of esteemed His Excellency Kim Chong-il, the great leader of the people.

Cambodian King, Algerian President Greet Embassies

*SK1309061295 Pyongyang KCNA in English
0444 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — Cambodian King Norodom Sihanouk, and Algerian President Liamine Zeroual sent floral baskets to the embassies of the Democratic People's Republic of Korea respectively on September 7 and 9 to mark the 47th anniversary of the DPRK.

Floral baskets were sent to the DPRK Embassy September 7 also by Chea Sim, president of the National Assembly and chairman of the Central Committee of the People's Party of Cambodia, and Norodom Ranariddh,

first prime minister and chairman of the Funcinpec Party.

Malaysian Guests Pay Homage to Kim Il-song

*SK1309055795 Pyongyang KCNA in English
0431 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — A Malaysian friendship visiting group led by member of parliament Chan Kong Choy, deputy minister of energy, telecommunications and posts, on Tuesday visited the Kumsusan Memorial Palace where the great leader President Kim Il-song is laid in state, and paid homage to him.

The guests made bows to him in humble reverence.

They made entries in the visitor's book.

Embassy in Moscow Celebrates Founding Anniversary

*SK1309020995 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 10 Sep 95*

[FBIS Translated Text] A banquet was arranged on 7 September at our embassy in Russia to celebrate the 47th anniversary of the founding of the DPRK.

Respectfully placed at the forefront of the banquet site were a portrait of the great leader [suryong] Comrade Kim Il-song and a portrait of the great leader [yongdoja] Comrade Kim Chong-il.

Invited to the banquet were Yuriy Yarov, deputy chairman of the Russian Government; (Kennajiy Shelepunev), vice chairman of the State Duma; Aleksandr Panov, vice foreign minister; (Kilir Jumayev), vice minister of the Ministry of Science and Technology Policy; functionaries from the Ministry of Defense and the Ministry of Foreign Economic Relations; (Kang Il), chairman of the International Koreans United Association; Yi Tong-chol, chairman of the Koreans United Association of Russia; General Nikolay (Liasinko); Marshal Dmitriy (Yazov), former Russian defense minister; other war veterans; (Vladimir Tolpichikov), chairman of the Central Council of the Russian Association of Friendship and Cultural Cooperation With the DPRK; Vladimir Zhirinovskiy, chairman of the Social Democratic Party of Russia; the vice chairman of the Communist Party Union Soviet Communist Party; the chairman of the Political Council of the (?Leftist Russian Party); the chairman of the Liberal Patriotism Party; the secretary of the Communist Party of the Russian Federation; [words indistinct] the Soviet Communist Party of Bolsheviks; the chairman of the League of Scholars Studying Human Problem

in the Present World; the first vice chairman of the International Association of Peace Funds; functionaries from the Oriental Studies Institute under the Academy of Sciences; the responsible editor-in-chief of the newspaper (PATTARIUTU); responsible editor-in-chief of KRASNAYA ZVEZDA; president of the (Paria) Publishing Company; and other functionaries from the publication and press sectors.

Son Song-pil, our ambassador to Russia, and embassy officials attended the banquet.

Participants in the banquet first laid flower baskets and bunches of flowers before the portrait of the great leader Comrade Kim Il-sung and paid greetings of reverence to the respected and beloved leader.

Speeches were made at the banquet.

Participants made a toast to the eternal life of the great leader Comrade Kim Il-sung and to the long life and good health of the great leader [yongdoja] Comrade Kim Chong-il.

Report on Delegation Arrivals, Departures

*SK1209213295 Pyongyang KCNA in English
1521 GMT 12 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — A DPRK delegation led by Kim Su-hak, minister of public health, left here today to attend the 13th meeting of health ministers of SEARO [expansion not given] countries of the World Health Organization to be held in Sri Lanka.

Meanwhile, arriving here were a delegation of Christian Social Union members of the Federal Parliament of Germany led by Christian Schmit, member of the Foreign Affairs Committee of the Federal Parliament of Germany and chairman of the Foreign and Defence Policy Committee of the parliamentary group of the Christian Social Union, a delegation of Aichi prefectural assemblymen from different political parties of Japan led by Noriyuki Takahashi and a Chinese delegation of officials in charge of youth and children headed by Shi Guoxiong, president of the Chinese Youth Periodical Office.

On Monday a delegation of the Confederation of Kuwaiti Workers led by its Secretary General Rashed al Azmy [spelling of name as received] arrived in Pyongyang.

Foreign Party Leaders Greet Kim Chong-il

*SK1309060595 Pyongyang KCNA in English
0436 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — Messages were sent to the great leader Comrade Kim Chong-il by foreign state, government and party leaders, congratulating him on the 47th anniversary of the Democratic People's Republic of Korea.

They came from Egyptian President Muhammad Husni Mubarak, leader of the great September first revolution of Libya Mu'ammarr al-Qadhafi, Tanzanian President Ali Hassan Mwinyi, Yasir 'Arafat who is president of the state, chairman of the Executive Committee of the Palestine Liberation Organization and head of the National Authority of Palestine, Portuguese President Mario Soares, Mauritian Prime Minister Anerood Jugnauth, Pakistani Prime Minister Benazir Bhutto, General Secretary of the Mongolian People's Revolutionary Party B. Dashyondon, chairman of the Central Committee of the People's Party of Cambodia Chea Sim, general secretary of the National Council of the Communist Party of India Indrajit Gupta, general secretary of the Central Committee of the Communist Party of India (Marxist) H.S. Surjeet and general secretary of the Central Committee of the All-Union Communist Party of Bolsheviks Nina Andreyeva.

The messages extend the warmest congratulations to Comrade Kim Chong-il on the national day.

They express the belief that friendly and cooperative relations between their countries and the DPRK and their parties and the Workers' Party of Korea will further develop and strengthen.

They wholeheartedly wish Comrade Kim Chong-il good health and a long life.

Kim Chong-il Praised as Genius of Golden Age

*SK0809123495 Pyongyang Korean Central
Broadcasting Network in Korean 2235 GMT 5 Sep 95*

[Unattributed talk: "The Genius of Creation and Construction Who Has Unfolded the Golden Age of a Prosperous Fatherland"]

[FBIS Translated Text] The history of our people's building up of the most superior our-style socialism and the achievement of a great national prosperity is the history of the fatherly leader's glorious and brilliant revolutionary activities, as well as the history of the respected and beloved Comrade Kim Chong-il's wise leadership. Starting off with the glorious age for national resurrection and the country's prosperity opened by

the great leader [suryong] Comrade Kim Il-song, our people have reached the zenith of national prosperity and development under the leadership of the great leader [yongdoja] Comrade Kim Chong-il. Our proud age and prospering fatherland is elucidated by *chuche*, dignified by independence, made strong by self-reliance, and invincible by self-defense. This is praised in the esteemed name of the great leader [yongdoja].

The great leader [yongdoja] Comrade Kim Chong-il is a genius of creation and construction who has unfolded the golden age of the prosperous fatherland with his outstanding and tested leadership. The great leader [suryong] Comrade Kim Il-song taught: Our revolution has turned to a new upsurge under the leadership of Comrade Kim Chong-il. Since the beginning of Comrade Kim Chong-il's leadership, the party work and various aspects of politics, economy, and culture have seen new turning points, and great innovations and upsurges have been achieved in all fronts of the socialist construction.

The great leader [yongdoja] Comrade Kim Chong-il had the great idea to advance the revolution, accelerate the creation and construction, and establish a prosperous *chuche*-based socialist strong country in this land under the banner of the *chuche* idea. The idea is summed up in the historic oath "Korea, I shall glorify you!" echoed at the sun-rising peak of Mt. Yongnam. The respected and beloved Comrade Kim Chong-il fulfilled this oath and wisely led the struggle to open a golden age of the endless prosperity of the fatherland, upholding the great leader's [suryong] lofty will.

The great leader [yongdoja] Comrade Kim Chong-il's leadership, which has unfolded the golden age of the prosperous fatherland, is wise because it achieves brilliant victory and proud fruition of the creation and construction by inspiring ideology with the banner of ideological theory. The ideological theory is that people's ideology is the basis for the revolutionary struggle and construction, and that people's ideology decides everything. There is no short cut to pursuing the socialist construction and national prosperity other than inspiring people's ideology and enthusiasm.

In organizing and leading the great struggle of creation and construction for the prosperity of the fatherland, the great leader [yongdoja] Comrade Kim Chong-il has always given decisive interpretations on ideological factors; organized and mobilized the masses by enhancing the role of people's ideological consciousness; and sought the basic key to problem solutions in inspiring people's ideology. The great achievement of the historical 70-day battle in the blast of speed battle; the brilliant victory in the great battle of socialist construction

amid the blaze of the movement to create a speed of the eighties; the miracle of the century created in the 200-day battle organized and developed under the slogan "Let us all live and struggle heroically;" these are all brilliant fruitions of the wise leadership of the respected and beloved Comrade Kim Chong-il, who had people basically adhere to and inspire their ideology.

Today, when the struggle to implement the party's revolutionary economic strategy is being vigorously waged, upholding the great leader [suryong] Comrade Kim Il-song's lifetime teaching, the respected and beloved Comrade Kim Chong-il is leading us to solve all problems by adhering to and inspiring the ideology, saying that the key to achievement and victory is people's ideological commitment and determination.

The great leader [yongdoja] Comrade Kim Chong-il is an outstanding artist of leadership with skillful organizational ability and extraordinary revolutionary drive that leads the creation and construction to brilliant victory. The creation and construction for the prosperity of the fatherland is a massive work to reform and develop nature and society, and a difficult and complicated struggle that demands skilled organizational ability and revolutionary drive. Therefore, the leader [yongdoja] of revolution who leads the masses must have skilled organizational ability and revolutionary drive to achieve victory and fruitions in creation and construction.

The great leader Comrade Kim Chong-il's organizing ability is the extraordinary cohesive power that ties the popular masses to one ideology and one organization and makes them the strong main force of revolution; the skillful organizing ability that mobilizes all the party and thrills all the people with one appeal, and arouses the entire country and all the Army at one command. Such an extraordinary organizational ability enables our party to skillfully undertake any massive creation and construction at its will.

The great leader Comrade Kim Chong-il prepares the next step while implementing the current revolutionary task and solves one problem after another. With such a revolutionary drive, he wisely leads the creation and construction to continuous innovations and advancement. The great leader Comrade Kim Chong-il's revolutionary drive makes bold operations, works on a big scale, implements in three-dimensional method, and develops swiftly to achieve the utmost result in terms of quantity and quality in a shortest possible period.

The great changes that have taken place in our country since the beginning of the great leader Comrade Kim Chong-il's leadership, are miraculously unprecedented in history in terms of width and depth, range and category. The great leader Comrade Kim Chong-il's

farsighted scientific leadership presents a long-term plan for the country and pushes forward the future of the revolution. The leadership has brought about surprising changes and great results in the society reform, human reform, and nature reform.

Today, our Republic has become a strong political country demonstrating sovereignty and national dignity. The great leader Comrade Kim Chong-il's independent politics has its own philosophy, constant confidence, and plan for the nation. Thus, our nation's dignity is glorified and the country's sovereignty is defended. Our party and the Republic Government never allow the imperialists' interference and arbitrariness but proudly exercise the sovereignty and honorably defend national dignity in today's difficult situation, holding high the banner of socialism.

The great leader Comrade Kim Chong-il's great trust and noble love has brought up thousands of loyalists and dutiful children, and strengthened and developed our revolutionary ranks into the crystal of loyalty and piety that is united around the party and the leader [suryong] in one heart and one will. Unbreakable is the might of our-style socialism that stands high as an impregnable fortress on the firm social and political basis, in which the leader [suryong], the party, and the masses are united in one.

Today, our country has developed into a strong ideological country where the *chuche* idea is blossoming. The great leader [suryong] Comrade Kim Il-song sowed the seeds of the *chuche* idea in our people's soil and cultivated them. The great leader [yongdoja] Comrade Kim Chong-il further cultivated them into thick woods and blossomed the *chuche* idea into a rich garden of ideology.

Today, all party members and all of society are filled with the *chuche* idea. The great ideology is our people's firm view of the world; it is the only faith. Firmly armed with the immortal *chuche* idea, the people are the strong main force of the revolution. Our country shines as a strong ideological country; the prosperity of the fatherland is always firmly guaranteed. Our people, who have the ideological emotion as well as the spiritual and moral trait to admire and uphold the leader [suryong], are the noblest people, and are not to be compared with any other people in the world. Our people have pure ideology, spirit, life, morals, and conscience as well as lofty ideals and a refined hobby.

Genuine comradely relations rule our society, in which people respect and trust each other, uniting and cooperating with each other. It is a custom and habit that the superiors and subordinates help and lead each other in cohesion. This is the unique human model of our style

of socialism that is inconceivable in a capitalist society, where the law of the jungle dominates and where social evil makes the rich richer and the poor poorer. This is the true picture of socialist prosperity that is incomparable with the so-called material prosperity of capitalism.

In the field of economic construction, a golden age has unfolded to guarantee the prosperity of the fatherland. The independent and solid economic basis is the material basis that supports the strength of socialism and the prosperity of the fatherland. Today, our country's economy is complete with inner-structures. The industrial and rural economy, as well as all other sectors of the people's economy, show off their grandeur as a socialist self-reliant national economy equipped with modern technology.

Literature, art, education, public health, and science and technology are also rapidly developing in our country, marking the golden age. In our country, free education and free medical care enable all people to study to their content for their entire life and to develop together, enjoying healthy and long lives. Our country is the most civilized country without a single illiterate. Our people enjoy socialist literature and arts in full bloom.

Today, our country has a strong self-defense ability. The People's Army has become loyal combat ranks that are politically, ideologically, militarily, and technologically prepared; it has been strengthened and developed into a matchless strong army equipped with powerful and modern attack and defense means. A strong and modern defense industry has been built to strengthen the combat capabilities and armaments of the People's Army. An all-people defense system, with the People's Army as its core, has been firmly established. The entire country is an impregnable fortress.

The brilliant victory and proud fruition achieved in the struggle for the prosperity of the fatherland and the development of the nation under the banner to model the entire society after *chuche* are all connected with the outstanding and tested leadership of the great leader [yongdoja] Comrade Kim Chong-il. Victory and glory lies in the future of our people, who uphold the great leader Comrade Kim Chong-il, the genius of creation and construction, at the fore, and who are filled with confidence and optimism while struggling and advancing. Our age will shine as a more glorious and prosperous age.

Daily Extols Kim Chong-il as 'Great Thinker'

SK1209135595 *Pyongyang Korean Central
Broadcasting Network in Korean*
1025 GMT 11 Sep 95

[NODONG SINMUN 11 September article: "A Distinguished Leader Who Leads the Revolution With Great Contemplation"]

[FBIS Translated Text] There are activities of a great thinker [widaehan sasaekka], and outstanding ideological theorist [kolchurhan sasang ironga], behind a great revolution. Our revolutionary cause is an invincible revolutionary cause that is ever-victorious thanks to the great leader's [yongdoja] energetic contemplation and practice.

With his profound and creative contemplation, respected and beloved Comrade Kim Chong-il has elucidated the road ahead of the revolution and is vigorously leading the entire party, all the people, and the entire Army to a general onward march of socialism. Respected and beloved Comrade Kim Chong-il is born with the gift of great contemplation, without which it is impossible to think of the greatness of respected and beloved Comrade Kim Chong-il who is brilliantly leading the chuche revolutionary cause.

A revolution needs energetic contemplation. Contemplation is the course of steady and patient study to solve theoretical and practical problems, which occur in the course of the revolution and construction, by concentrating all of one's mental power. Contemplation is the source of creation. Deep contemplation brings about advancement, innovation, and progress in the revolution.

Communists should uphold the slogan that urges deep and repeated contemplation for the revolution. The more human brains are used, the brighter they become. A river that has stopped flowing is certain to rot, and a human being who has stopped thinking is certain to become stale and regress. The key to success in work and life lies in tireless thinking, and the key to a miracle also lies in constant thinking.

A leader [yongdoja] of the revolution should be an outstanding thinker. The mission of the revolution's leader is to develop the people's destiny, shouldering it to the last. Accordingly, the leader's course of life is filled with energetic contemplation for the revolution and the people. It is the leader's outstanding trait to lead the revolution while thinking and to think while leading the revolution. The greatness of a leader lies in the depth of his thinking. The leader's thinking is the source that elucidates a straight road for the revolution.

The socialist cause pioneers its victorious way, based on the justness and truthfulness of ideas. Correct ideologi-

cal theories serve as a compass that leads the revolution along the single road of victory, without vicissitudes. Great ideological theories come from the world of the leader's thinking. All outstanding strategies that shine in the history of working-class revolutionary struggles are the results of energetic thinking of distinguished ideological theorists; they bear the traces of laborious studies to analyze history and the realities and to manifest the truth of the revolution.

Only a revolution led by a great thinker can bring about revolutionary ideas to guide the times, as well as strategies and tactics that ensure the invincibility of the revolution. This is stark truth that has been proved by history.

The leader's thinking is the mainspring of rapid development in all fields of revolution and construction. The spheres of the revolution are limitless; the work of developing the people's destiny is multifarious. All this work is planned and designed in the world of the leader's thinking. The spheres of the great man's thinking are limitless. When he spreads the wings of his thinking, legendary miracles can be created; where the beams of his thinking reach, the people's strength gushes out.

The depth and width of the leader's thinking is those of the revolution. Without the leader's thinking, it is impossible to think of any change or victory in the revolution and construction. The chuche revolutionary cause is a historic cause that can victoriously be consummated and advanced by a great leader who is also a great thinker.

Today, our revolutionary cause has far advanced. The chuche revolutionary cause to completely realize the popular masses' independence requires the opening-up of an unprecedented road based on a high level of creativity and excellence.

Many new ideological and theoretical examples are being put forth in carrying out the cause of our revolution in which the imperialists' antisocialist maneuver must be smashed and the socialist banner must be adhered to without fail. This cause can be successfully carried out only by the leader [yongdoja] who has the outstanding ability to think and plan, and who has insight.

Recently, in many countries where socialism was being built, the ideological and theoretical work fell into a state of stagnation, and since the antirevolutionary ideological offensive was lost, the socialist camp collapsed. This is ultimately due to the fact that these countries did not uphold a distinguished leader [yongdoja].

History's lesson shows that the lifeline of socialism, which regards ideology as life, is maintained to the

end only through the great leader [yongdoja] who is a thinker. Comrade Kim Chong-il, the great leader [yongdoja] of our party and people, is the most outstanding thinker as well as the most prominent ideologist and theorist of our era, leading the revolution and construction through profound and energetic thinking.

The great leader [suryong] Comrade Kim Il-song has taught: Comrade Kim Chong-il is elucidating our party's chuche idea to be the great guiding idea of the era of independence by conducting ideological and theoretical activities with extraordinary pursuit and energy.

There is a saying that a genius lives amid thinking and a great man lives amid work. This saying is indeed the most appropriate expression regarding the great leader [yongdoja] Comrade Kim Chong-il's thinking and practice.

From the time he began leading the party's work in the 1960's, 1970's, 1980's, and 1990's, a time when he lead the cause for modeling all of society after the chuche idea, the revolutionary road covered by the respected and beloved Comrade Kim Chong-il was the road of pursuit of thinking and of thinking without sleep or rest.

Thinking is revolution and revolution is thinking for the respected and beloved Comrade Kim Chong-il. Great thinking brings about great practice. In Comrade Kim Chong-il's sea of infinite thinking, the great ship of the Korean revolution was vigorously advanced by setting sail before a fair wind.

The thinking of the great leader [yongdoja] Comrade Kim Chong-il is a high degree of creative thinking. The revolution itself is creative work. If there is only dogma without creation, if there is only following without innovation, then this can by no means be regarded as a revolution. Thinking that endlessly brings about change with an innovative perspective is the true thinking of the revolution.

The respected and beloved Comrade Kim Chong-il, who resolutely rejected dealing with the existing theory and experience in a dogmatic way from early on, had deep insight into the changed environment and new demand of the era, and found clues to solve the problems dealing with any kind of ideological and theoretical problem.

He regarded the existing theory and formula as a historic example for creative thinking. The trait of the respected and beloved Comrade Kim Chong-il as an outstanding thinker is for him to create new things that stem from the basis of a completely new era.

In the 1960's, Marxism-Leninism was being worshipped and regarded as an absolute truth by the people. During this time, the respected and beloved Comrade Kim

Chong-il gave a clear-cut exposition of the historical limitations of this theory and highly upheld the banner of the chuche idea for the first time in history.

It is the great feat of the respected and beloved Comrade Kim Chong-il that he defined it as the cornerstone to understanding relations between the chuche idea and the preceding theories to consider originality to be the basis and to link it with continuity.

From early on, he avidly read classics, including *DAS KAPITAL*, and anatomically analyzed and assessed them, thus revealing the limitations of the preceding theories one by one. This clearly shows how unique the respected and beloved Comrade Kim Chong-il's thinking is. In the process of such creative thinking, the historical position of the chuche idea was newly elucidated, and the chuche idea was developed and enriched into endlessly precious principles.

A thinker who endlessly creates new things, who regards imitation and following as death. The respected and beloved Comrade Kim Chong-il boldly carries out innovations in whatever work he operates and plans in revolution and construction, thus making the spirit of creation of the era of the Workers Party pulsate.

When he builds a great monumental creation, he ceaselessly speculates on building a new form of monument in conformity with the contemporary aesthetic sense and national sentiment; when he gives guidance to literature work, he energetically speculates on exploring a new stage in mankind's history of literature. This is our Comrade Kim Chong-il. Thanks to the respected and beloved Comrade Kim Chong-il's creative speculation and implementation, our country shines as a chuche-oriented country that knows only independence and creation.

The respected and beloved Comrade Kim Chong-il's speculation is boundlessly profound and philosophic. The revolution advances toward a destination based on philosophy. History has confirmed the truth that the lack of philosophy results in the collapse of socialism. A leader [yongdoja] who leads the revolution must be a prominent philosopher with profound philosophic speculation. There are many famous philosophers in history who astonished the world with their profound philosophic speculation. Today, the people of our time proudly state that the respected and beloved Comrade Kim Chong-il is the most prominent philosopher among all philosophers in history.

The classical works "On Several Problems of the Chuche Philosophy," "On the Chuche Idea," and other works written by the respected and beloved Comrade Kim Chong-il are all philosophic propositions. Every time we indulge in reading these works, we become

aware of Comrade Kim Chong-il's philosophic speculation, and that with every subject he studies, he digs into it in conformity with the principles of the characteristics of objects and phenomena as well as the reason for their development. Unprecedented is the respected and beloved Comrade Kim Chong-il's philosophic speculation which compares, analyzes, and reasons out the objects and phenomena, then clarifies their internal correlations and the inevitability of their occurrence and development. This is why the ideologies and theories presented by the respected and beloved Comrade Kim Chong-il are all orderly, logical, and profound, and are all filled with profound theories.

The explicit explanations of such difficult philosophic issues of our times as man's intrinsic characteristics, the essence of the world and its reform, and the forming and development of sociopolitical organisms—which remained unsolved in throughout mankind's philosophic history for thousands of years—clearly show the profoundness of the respected and beloved Comrade Kim Chong-il's speculation. In his world of philosophic speculation, the socialist cause to formulate the great leader's [suryong] revolutionary ideology into an efficient system of the chuche-based ideologies, theories, and methods has been brilliantly achieved, and the seed theory on literature and art that the world's people compare with the discovery of fire was created.

His words imply more than the face value of those words, and we must read between the lines. His philosophic propositions and wise sayings that bear profound truth to life deeply move the people. Such wise sayings cannot be uttered without a philosophic speculation that has deep insight into life. The great Comrade Kim Chong-il defines the principles of the revolutionary struggle and social life as well as the truth of life and the struggle of revolutionaries in the most suggestive words, easiest expressions, and most meaningful phrases.

One's words reflect one's value. Every word spoken by the respected and beloved Comrade Kim Chong-il in daily life contains philosophy and weighs thousands of kilograms in its significance.

Comrade Kim Chong-il gave the idea to the multi-part art film "Nation and Destiny." The part under the subtitle "Working Class" has its theme in the spring water philosophy, which is profound in its philosophical content. Once filtered by Comrade Kim Chong-il's philosophical speculation, the ordinary expressions our people use in their daily life become the banner of struggle that moves the hearts of thousands and lifts them to achieve feats. Ordinary words become integrated as a philosophy with a profound truth about revolution and life. Our people are never confused because they uphold the

great leader [yongdoja], who leads the revolution with a profound philosophy.

The great leader [yongdoja] Comrade Kim Chong-il's speculation is realistic because it progresses through actual practice and answers practices. The reality is the basis of speculation. When speculation progresses under certain social and historical conditions and concrete circumstances, it becomes extraordinarily profound and broad as well as propels the revolution.

Only a great implementer can become a great thinker. Old speculation theories that were remote from actual life and that were unhelpful to the reality have been called scholarly philosophy. When the speculation of ordinary people drifts away from reality, it becomes idle talks; when a leader's [yongdoja] speculation drifts away from actual practice, it causes unexpected consequences in the revolution and construction. The revolution demands implemental speculation; the leader's [yongdoja] speculation must provide answers to revolutionary practices.

The respected and beloved Comrade Kim Chong-il's speculation begins from reality and actual practices. The respected and beloved Comrade Kim Chong-il always sets his speculation on the basis of reality and solves all problems arising in the revolution and construction based on the implemental demands of concrete conditions, circumstances, and the reality of our revolution. The respected and beloved Comrade Kim Chong-il's speculation never stops in the acute and massive implemental struggle to defend the banner of socialism against strong imperialist enemies. That is why his speculation provides answers to impending historical tasks and serves as the strong drive that propels the era and the revolution.

The immortal classical works "Socialism Is a Science" and "Giving Priority to the Ideological Work Is an Essential Demand in Implementing the Socialist Cause," recently written by Comrade Kim Chong-il, elucidates the future of the socialist cause of our times and staunchly punishes the imperialists and the betrayers of socialism.

To the respected and beloved Comrade Kim Chong-il, the reality is the popular masses. The popular masses are the creators and teachers of history. The respected and beloved Comrade Kim Chong-il's philosophical belief is that the compilation and categorization of the independent demands and opinions of the popular masses leads to ideologies, lines, and policies. When the great leader [suryong] passed away, the respected and beloved Comrade Kim Chong-il respected the ideological emotion and will of the popular masses, who were in grief and unable to forget the nation's father,

and held an unprecedented mourning service for them at the highest level. He also brilliantly realized the blazing desire of the entire nation to uphold the leader [suryong] in an immortal appearance.

The revolutionary slogan "Let us more thoroughly arm ourselves with the ideology of the great leader [suryong] Comrade Kim Il-song!" was created by the respected and beloved Comrade Kim Chong-il, reflecting the aspiration and demand of the popular masses. The wise saying "Adhere to ideology, socialism will win; let go of ideology, socialism will fail" was also created by Comrade Kim Chong-il based on the truth gained in his long revolutionary practice. The great Comrade Kim Chong-il discovers reasoning and principle in the struggle of the popular masses and boldly explains and redefines everything if it is desired by the people and demanded by the revolution. This is why all ideologies and theories of our party brilliantly embody the aspiration and will of the people, and are always vital, practical, and up to date.

The great leader [yongdoja] Comrade Kim Chong-il's speculation is an energetic one which nobody can match. Speculation needs a burning energy. To discover the truth from the unknown realm, one should have such energy. There are cases scientists devote their entire lives to discovering a formula or principle for.

The leader [yongdoja] of the revolution should solve the problems of the times that no scientist or ordinary man can. It is almost all impossible to solve it without superhuman energy. At an early date, the respected and beloved Comrade Kim Chong-il constantly conducted speculative activity with an extraordinary energy that has never been known in history. The respected and beloved Comrade Kim Chong-il's energetic, wide-ranging, and many-sided speculation will continue until he grasps the keypoints of all matters.

There is no other time for the respected and beloved Comrade Kim Chong-il to think about matters. It is his distinguished leadership trait to continue thinking while working and to lead the revolution and construction while engaging in speculation. He simultaneously carries out two or three jobs while he works and thinks. For Comrade Kim Chong-il, who has 10 or 100 things on his mind, a day is a 240 hours or 2,400 hours, not 24 hours.

The immortal story preserved in a fishing spot in Okpo, which has been told to this day, clearly shows the great trait of the respected and beloved Comrade Kim Chong-il, who devotes himself to thinking even during moments of rest.

Truly, Comrade Kim Chong-il's thinking continues day and night. The five major revolutionary operas were created by the great world of his thinking in the shortest period of time. As a result, the great golden age of literature and art has been opened in all sectors, including film, music, and painting. In addition, new innovations have been effected in socialist construction. Our fatherland has been able to embark upon the single road of prosperity and growth. Therefore, seeing the respected and beloved Comrade Kim Chong-il's energetic thinking, a poet highly praised that it is Comrade Kim Chong-il who close the last window in this country, as well as who opens the first window on the morning of this country.

The spheres of the respected and beloved Comrade Kim Chong-il's thinking are limitless. He conducts in his thinking wide-ranging and many-sided ideological and theoretical activities, including all aspects of the world and all fields of the revolution and construction. Included in his activities are all areas such as philosophy, politics, economics, literature and art, history, law, language, and the theory of party, state, and army building, everything ranging from people's daily life and social phenomenon to natural phenomenon.

The documents and collected works on socialist literature and art put forward by the respected and beloved Comrade Kim Chong-il number several tens of volumes. In the light of so many great works in one area, the documents of Comrade Kim Chong-il, who fully elucidated works in all sectors and areas of the revolution and construction, are boundless beyond imagination. This clearly proves how energetic, wide-ranging, and boundless his speculation may be.

The respected and beloved Comrade Kim Chong-il's thinking is a miraculous one whereby he has the world under his thumb.

We must always have our feet set on the land of Korea and have a deep understanding of the world: this is the creed the respected and beloved Comrade Kim Chong-il always maintains in his thinking. What he always plans and goes ahead with are things of worldwide significance and human significance, things that will remain effective in a remote future.

Every one of the initiatives and operations presented by the respected and beloved Comrade Kim Chong-il was a great idea that astonished the world. In recent years, he smashed with wise strategies the imperialists' maneuvers to isolate and crush our country, and resolutely defended our style of socialism. This is inconceivable without the speculation of the respected and beloved general who holds the world in his palms. The world's people could not resist their admiration,

wondering where did the great ideas come from to win over and drive the imperialists onto the defensive.

Marx said there is no royal road to science. Actually, the road to research science is difficult. However, the respected and beloved Comrade Kim Chong-il's chuche-based opinion on science is that science is after all simple and easy. Science is created and enjoyed by the people. The respected and beloved Comrade Kim Chong-il's consistent position is that people who believe in the chuche idea can pioneer the unknown world of science. Our country thus walks along the road of new advances and innovations, not only in the development of ideology, but also in science and technology. Today, the world's progressive people see the ideological and spiritual height mankind is able to reach thanks to the respected and beloved Comrade Kim Chong-il's world of speculation.

The great trait of the respected and beloved Comrade Kim Chong-il as an outstanding thinker is connected with his natural gifts. The width and depth of one's speculation varies. One sees, listens, feels, and judges within the boundary of one's knowledge. When a bright brain is coupled by knowledge and theories, a great man looks out to the world at his own height and with his own view of the world, working out speculation and activities at the same height.

The respected and beloved Comrade Kim Chong-il has unique gifts and abilities as a great thinker, ideologist, and theorist. An old saying holds that one is called genius for one's brain; the brain is the memory. The respected and beloved Comrade Kim Chong-il has a deep memory beyond human imagination. When he was young, Comrade Kim Chong-il read through the world's collection of literature and the classics of Marxism-Leninism. He memorized all the details. The respected and beloved Comrade Kim Chong-il's memory pictures all the authors of the world's literature, the characters of the historical figures of the middle and modern ages, the propositions and motifs of classical works, and even the lyrics and melodies of songs written decades ago. People are amazed by his memory.

In addition to his extraordinary memory, the respected and beloved Comrade Kim Chong-il has an earnest spirit of inquiry, scientific insight, and boundless and profound knowledge. His extraordinary analytic mind grasps the key to a problem in a flash in the complicated social reality; even though he adheres to the principles in every issue, his extraordinary imagination studies with an innovative view, sees far, and scientifically predicts everything in the future; and his broad knowledge flows without stop on any issue and makes him capable at

everything. The respected and beloved Comrade Kim Chong-il's gifts and abilities are truly versatile.

Comrade Kim Chong-il's speculation is profound and energetic beyond one's imagination; it gives birth to immortal ideologies and theories that will lead the era and the revolution to victory. The respected and beloved Comrade Kim Chong-il's boundless faithfulness toward the revolution, and his devoted service for the people, is a lofty revelation of his great trait as an outstanding thinker.

Great speculation wells up from a great heart.

Speculation reaches its peak when it has a great objective, a lofty supporting ideology, and spirit. Speculation is the driving force of revolution; the force propelling speculation is the lofty ideology and spirit. It is the firm will of the respected and beloved Comrade Kim Chong-il to complete to the end the chuche revolutionary cause pioneered by the great leader [suryong] Comrade Kim Il-song.

The respected and beloved Comrade Kim Chong-il leads the revolution and construction, always bearing deep in his heart the blazing oath taken on Mt. Yongnam to carry on the greatness of the sun that shines on the world. He leads Korea and looks out to the world while continuing his speculation and implementations.

Today, our times and the Korean revolution face a weighty and significant historical task. The great Comrade Kim Chong-il deeply realizes better than anyone the historical mission to pioneer at the lead the untrodden road of socialism and communism, shouldering the unanimous demand of the times and the desire of the popular masses. The respected and beloved Comrade Kim Chong-il devotes thousands of hours of speculation, day and night, because he has to look out from the high peak of history and spin the axis of the globe in the center of the era.

The respected and beloved Comrade Kim Chong-il is also human. He has to rest when he is tired late at night. However, the respected and beloved Comrade overcomes fatigue with a strong will, devoting every second and moment to the revolution. Literally, every second of Comrade Kim Chong-il's speculation is devoted to the people; the significant moments are embroidered with boundless faithfulness and devoted service to open the road of revolutionary advance. The great Comrade Kim Chong-il lights up the future of the era and the revolution with his ceaseless speculation. Thus, our revolution victoriously marches on without the slightest deviation and curve; our times vigorously advance along the track of independence.

Only a great man has a great world of speculation. The great leader [yongdoja] Comrade Kim Chong-il's world of speculation is a philosophical world that has reached a mysterious stage; a world of supreme intellect; and a world of lofty emotion and sentiment. Once drawn to that world, every one will be completely fascinated by Comrade Kim Chong-il's humanity and will be overwhelmed by boundless respect and faith.

All of our revolutionary fighters have been fascinated and absorbed by the great Comrade Kim Chong-il's profound and lofty ideological and spiritual world, and have become the fighters and disciples of Comrade Kim Chong-il. The respected and beloved Comrade Kim Chong-il—who sheds light on the era with great speculation, awakens and arouses mankind, and leads the revolution—is a great teacher and an outstanding ideologist, theorist, and politician to mankind in the 20th century.

Today, the world's people unanimously say that the upcoming 21st century will be a century of glory that advances by the speculation and actual practice of the respected and beloved Comrade Kim Chong-il. It is the utmost honor and happiness of our people to carry out the revolution while upholding the great leader [yongdoja] Comrade Kim Chong-il. We will always bear deep in our hearts the honor and happiness, and will rigorously walk along the thousands of ri's of the revolution with confidence and optimism in victory.

Kim Chong-il Congratulated by NDFSK

*SK1309060795 Pyongyang KCNA in English
0442 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — The great leader Comrade Kim Chong-il received more than 900 messages of greetings and congratulatory letters on the occasion of the 47th anniversary of the Democratic People's Republic of Korea from the National Democratic Front of South Korea (NDFSK), the Canadian regional headquarters of the National Alliance for the Country's Reunification (Pomminnyon), the Canadian headquarters of the Council for the Promotion of the Peaceful Reunification of the Country, the Society of Women in Canada for National Reunification, the International Korean Association (unity) (Kotongnyon), Kotongnyon organizations in Kazakhstan, Kyrgyzstan and Ukraine, the organization of Korean citizens in Sakhalin, the General Federation of Korean Citizens in China (GFKCC), the Federation of Young Korean Citizens in China, the Zhongnan District Association of GFKCC, permanent chairman of the U.S. headquarters of Pomminnyon Yang Un-sik, president of the One Korea Movement Hyon Chun-ki, chairman of the Council of Koreans in New York for the

Promotion of Reunification Chong Il-ung, manager of the newspaper SINHAN MINBO Kim Un-ha and other overseas Koreans' organizations and compatriots.

The messages and letters extend the warmest congratulations to Comrade Kim Chong-il on the national day.

They say that since the great leader President Kim Il-song founded the republic and wisely led it, the Korean people have become the dignified masters of a sovereign state and overseas compatriots have lived with the pride of being members of the Korean nation.

They also say that guided by respected General Kim Chong-il, the homeland has developed to be a powerful socialist state and the future of socialist Korea will be more brilliant under his wise leadership.

They express the determination to greatly contribute to the reunification of the country in the 1990s by uniting all the compatriots overseas closely for great national unity under the leadership of General Kim Chong-il.

The messages and letters sincerely wish General Kim Chong-il good health and a long life.

Local Reporters Lay Flowers Before Statue

SK1309042495 Pyongyang Korean Central Television Network in Korean 1100 GMT 12 Sep 95

[FBIS Translated Text] Greeting the founding day of the daily, HWANGNAM ILBO [South Hwanghae Provincial daily], reporters and editorial staff members of the daily laid flower baskets before the statue of the great leader Comrade Kim Il-song in Haeju City Plaza and paid their respects to it.

They vowed their firm resolve to achieve greater success in the newspaper's editing and publishing work to vigorously inspire party members and working people in the province [South Hwanghae Province] into the struggle to thoroughly implement the teachings left by the fatherly leader and to greet the 50th anniversary of the founding of the party as a great festival of victors under the tested leadership of the great leader [yongdoja] Comrade Kim Chong-il.

Kim Il-song Praised as 'People's Leader'

*SK1309055595 Pyongyang KCNA in English
0430 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — The great President Kim Il-song was, indeed, the people's leader who performed tremendous feats. So said B. Ligden, president of the Federation of Peace and Friendship Organizations of Mongolia, giving his impressions of Korea at an interview with KCNA before leaving for home.

"He not only liberated the country and founded the Republic but made Korea prosperous," he said, and added:

"Every nook and corner of Korea is associated with great exploits performed by him for the people. Thanks to his deep love, all the people have lived a worthwhile and happy life.

"Seeing Korean people who were visiting the Kumsusan Memorial Palace, I keenly felt that they respect and revere him invariably as they did in his lifetime.

"The great President Kim Il-song is immortal with the people willing to hold him in high esteem as their eternal leader.

"Today the Korean people are advancing under the wise leadership of the dear leader Comrade Kim Chong-il, true to the behests of President Kim Il-song."

Leaders Attend Wreath Laying Meeting

SK1209123495 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 9 Sep 95

[FBIS Translated Excerpt] Party and government cadres, working people, People's Army soldiers, youths, and students laid wreaths at the Taesongsan Revolutionary Martyrs Cemetery on the morning of 9 September on the 47th anniversary of the founding of the DPRK and on the full moon.

A wreath sent by Comrade Kim Chong-il, chairman of the DPRK National Defense Committee, supreme commander of the Korean People's Army [KPA], and the great leader [yongdoja] of our party and people, was placed on the wreath board. A KPA honor guard stood at the Revolutionary Martyrs Cemetery.

Present at the Revolutionary Martyrs Cemetery were Comrades Pak Song-chol, Kim Yong-nam, Kye Ung-tae, Kim Chol-man, Hong Song-nam, Pak Nam-ki, Chon Mun-sop, and Yun Ki-pok; responsible functionaries of party and power organs, administrative and economic organizations, working organizations, central organizations, military organizations, public security organizations, and the public health sector; working people in Pyongyang; People's Army soldiers; and youths and students. [music]

While the wreath laying music was played, wreaths in the name of the Workers Party of Korea [WPK] Central Committee, the DPRK Central People's Committee, and the State Administration Council [SAC] were laid there. Wreaths in the name of the ministry of People's Armed Forces, SAC committees and departments, working organizations, central organizations, public health organizations, KPA units, party and government organs,

administrative and economic organizations, plants, and cooperative farms in Pyongyang were also laid there. [passage omitted]

Various Associations of Friendship Formed

SK1209150395 Pyongyang KCNA in English 1500 GMT 12 Sep 95

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — The Islamic Republic of Iran-the Democratic People's Republic of Korea Friendship Association was formed on September 2.

Mohsen Rafiq Desst [spelling of name as received], chairman of the Mosta Zaffan and Jonbazan Foundation of Iran, was elected chairman of the friendship association.

The Chitunguiza Branch of the Zimbabwe-Korea Solidarity and Friendship Association was formed on August 27 on the occasion of the 47th anniversary of the foundation of the DPRK.

R. Mutazu, chairman of the group for the Study of Kimilsongism- Kimchongilism of Zimbabwe, said in his speech that the branch would make a great contribution to consolidating and developing the friendly and cooperative relations between Zimbabwe and Korea based on the deep intimacy between the great leader comrade President Kim Il-song and President Robert G. Mugabe.

A letter to the great leader Comrade Kim Chong-il was adopted at the meeting.

Confederation Formula Favored by Overseas Groups

SK1209151395 Pyongyang KCNA in English 1505 GMT 12 Sep 95

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — Statements and articles have been published in different countries supporting the proposal for founding the Democratic Confederation Republic of Koryo [DCRK] put forward by the great leader President Kim Il-song.

In a statement the Zimbabwe-Korea Solidarity and Friendship Association expressed full support for the memorandum the government of the Democratic People's Republic of Korea issued upon the lapse of 15 years since the proposal was advanced.

The statement said the confederation formula is the most fair and unique proposal acceptable to all, a proposal which makes it possible to achieve the independent and peaceful reunification of the country smoothly without deviation with different system existing in the North and the South of Korea.

The Presidium of the Russian "Peace and Today" Committee, in a statement supporting the DPRK Government's memorandum, said the confederation formula has been favored by all the Koreans in the North, the South and overseas, to establish a confederal state under the present situation of the Korean peninsula is the way of reunifying the country and the nation at an earliest date, it said.

The confederation formula conforms with the interests of all the Korean people, the demand of the time and the desire of the world people, it stressed.

The Nepali paper PRAKAS, in a commentary, elaborated on the keypoint of the DCRK founding proposal, saying it is a reasonable proposal based on the most correct and scientific analysis of the actual conditions of the Korean peninsula.

Achievements in Industrial, Transportation Viewed

*SK1309101895 Pyongyang KCNA in English
1005 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — Production is on steady increase at industrial establishments throughout the country with the approach of the 50th anniversary on our Workers' Party of Korea (October 10 1945).

The Taean Heavy Machine Complex manufactured three months ahead of schedule the equipment of a large generator necessary for a major powerplant now under construction.

From the beginning of September, the United March 17 Hydroelectric Power Station has produced 30,8000 more kwh [kilowatt hours] every day as against the same period of last year by keeping all the generators in full-capacity operation.

In this period many coal mines including the Anju and Kangdong Area Coal Complexes have increased coal production more than 30 percent above the same days of last month.

The Locomotive Corps under the Ministry of Railways transported 2,225,000 more tons of freight than the plan in six months from March to August.

Nampo and Hungnam Ports, too, have topped by far their daily assignments of cargo traffic.

Meeting of UAWPK Central Committee Viewed

*SK1309105695 Pyongyang KCNA in English
1017 GMT 13 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — The 25th Plenary Meeting of the Central

Committee of the Union of Agricultural Working People of Korea [UAWPK] was held here on Sept. 11 and 12.

The meeting discussed "On Carrying Through 'On Preserving the Great Leader Comrade Kim Il-song in State', a Decision of the Central Committee of the Workers' Party of Korea [WPK], the WPK Central Military Commission, and the National Defence Commission, the Central People's Committee and the Administration Council of the Democratic People's Republic of Korea" and "On Carrying Through 'Giving Priority to Ideological Work Is Essential for Accomplishing Socialism,' Famous Work of the Great Leader Comrade Kim Chong-il."

The meeting called upon the officials and members of the union to hold the fatherly leader in high esteem for all ages and to firmly arm themselves with the chuche idea founded by him and take it as the firm guideline of all their work and life, under the slogans of faith "The Great Leader Comrade Kim Il-song Will Always Be With Us" and "Let Us Arm Ourselves More Firmly With the Revolutionary Ideas of the Great Leader Comrade Kim Il-song" advanced by the party.

The meeting called upon all the union members to build up the Kumsusan area better as the supreme holy land of chuche and display highest loyalty for the eternal life of the fatherly leader.

The meeting laid stress on intensifying education in the chuche idea, the main of ideological work, so that all union members may firmly establish the revolutionary world outlook of chuche and live and work as demanded by the chuche idea and on strengthening education in collectivism so that the trait of living and working in the spirit of "one for all and all for one" may prevail in the whole society.

The meeting adopted decisions.

Bulletins Published by Friendship Associations

*SK1209151495 Pyongyang KCNA in English
1508 GMT 12 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — Bulletins marking the 47th anniversary of the Democratic People's Republic of Korea were published by the Nigerian and Tanzanian Associations for Friendship With the DPRK and the Ukraine-DPRK Association.

The bulletins published by the Nigerian and Ukrainian associations said the great leader President Kim Il-song was the founder of socialist Korea who built a socialist state in Korea and created valuable wealth with which socialism can emerge victorious.

They said his excellency the great Kim Chong-il who is carrying forward the revolutionary cause of his excellency the great Kim Il-sung continues wisely leading Korean-style socialism centred on the masses of the people to victory, true to his intention.

Carried in Bulletin No. 5 published by the Bulgaria-Korea Friendship Association are the work of Comrade Kim Chong-il "Giving Priority to Ideological Work Is Essential for Accomplishing Socialism", articles titled "50th Anniversary of National Liberation" and "September 9, National Day of the DPRK" and articles introducing the DPRK's achievements in socialist construction.

Groups Host Banquet Marking Founding Anniversary

*SK1309014295 Pyongyang Korean Central Broadcasting Network in Korean
0600 GMT 10 Sep 95*

[FBIS Translated Text] The Chinese People's Association for Friendship With Foreign Countries and the China-DPRK Friendship Association hosted a banquet in Beijing on 7 September on the occasion of the 47th anniversary of the founding of the DPRK.

Present at the banquet were Qi Huaiyuan, president of the Chinese People's Association for Friendship With Foreign Countries; Cui Yueli, president of the China-DPRK Friendship Association; a Chinese vice foreign minister; a deputy head of the CPC Central Committee International Liaison Department; a deputy director of the Chinese People's Liberation Army General Political Department; and other functionaries of sectors concerned. Our country's ambassador to China and the embassy staff were invited to the banquet.

Speeches were made at the banquet. The president of the Chinese People's Association for Friendship With Foreign Countries extended warm congratulations to the fraternal DPRK people on the 40th DPRK founding anniversary and stressed:

The DPRK people built the DPRK, where the people are the masters of the country and have achieved distinguished results in socialist construction by carrying out a long heroic struggle under the leadership of the great leader Comrade President Kim Il-sung. Today the DPRK people are vigorously struggling to enrich their country, firmly united around the Workers Party of Korea [WPK] headed by Comrade Kim Chong-il. The Chinese people are very happy with the results achieved by their fraternal DPRK people and wish them new and greater results in their great work of building the country.

We believe the DPRK people will make constant advances in work to build the fatherland and to achieve the independent and peaceful reunification of the country under Comrade Kim Chong-il's leadership, after succeeding to the cause pioneered by Comrade Kim Il-sung. China and the DPRK are friendly and neighboring countries who share a border; the peoples of the two countries have everlasting traditional friendship. The friendship between the two peoples has great vitality and has planted its roots deep in their hearts since it was prepared and strengthened personally by leaders of the old generation, such as former President Mao Zedong, former Premier Zhou Enlai, and Comrade Kim Il-sung.

The Chinese and DPRK peoples have always supported and cooperated closely with each other in implementing the socialist cause for the past few decades, and their visits to each other's countries have increased as days go by. Mutual friendship visits between the two parties and the two countries' leaders made a great contribution to further developing the friendship between the peoples of the two countries and to promoting smooth development of the socialist construction cause of both countries.

The Chinese People's Association for Friendship With Foreign Countries and the China-DPRK Friendship Association will make efforts jointly with Korean comrades to constantly strengthen the traditional friendly and cooperative relations between the two countries.

The participants at the banquet toasted the perennial consolidation and development of the friendship between the Chinese and DPRK peoples, the eternal life of the great leader Comrade Kim Il-sung, and the good health and long life of the great leader [yongdoja] Comrade Kim Chong-il.

Career of Famous Potter Yim Sa-chun Profiled

*SK1209152195 Pyongyang KCNA in English
1513 GMT 12 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 12 (KCNA) — There is a famous potter, Yim Sa-chun, 68, at the Mansudae Art Studio of Korea.

He is a Kim Il-sung Prize Winner and a people's artiste.

He is busy creating ceramics to be presented to an exhibition celebrating the 50th anniversary of the Workers' Party of Korea.

Over the past five decades he has created more than 2,000 excellent pieces of Koryo celadon.

Typical of them are "Vase Embossed With Carps", "Vase Inlaid With Peony Blossoms", "Vase Decorated With Cranes on a Pine Tree" and "Dragon-Head-Shaped Vase".

He has created many ceramics as valuable as national treasure with unique techniques.

His ceramics are very popular in many countries for their diversified decoration and refined techniques.

The "Vase Decorated With Cranes on a Pine Tree" won gold prizes at porcelain exhibitions held in Japan and European countries.

He has made a great contribution to ceramic workmanship by making clear in a scientific way the characteristics and the method of calcination of Koryo celadon and white porcelain of Yi Dynasty.

His techniques and skill have developed under the care of the great leader President Kim Il-song and the Workers' Party of Korea.

The president saw his ceramics several times, greatly appreciated them and inspired him to continue creating fine ceramics.

Encouraged by his loving care, Yim Sa-chun has created celadon, white and colored porcelain, earthenware vessels and other ceramics on the highest level.

Railway Transport Achieves Innovations

*SK1309152395 Pyongyang KCNA in English
1518 GMT 13 Sep 95*

["'50 Years Under Banner of WPK' (7); Railway Transport" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 13 (KCNA) — Innovations are being effected in the domain of railway transport with the approach of the 50th anniversary of the foundation of the Workers' Party of Korea [WPK].

According to data available at the Ministry of Railways, the freight turnover for the last six months was over 2,225,000 tons more than the traction power.

A tremendous development has been made in the domain of railway transport over the last 50 years.

Before the country was liberated, the network of railways of Korea was very poor owing to the colonial predatory policy of the Japanese imperialists; it had a section running between the North and the South and a section connecting the east and west coasts.

After the country's liberation, the Workers' Party of Korea and the government of the republic saw to it that the network of railways was developed in such a way as to ensure the development of the national economy and the improvement of the material and cultural life of the people by tightening correlations between cities and rural communities, raw material bases and producing and consuming districts and closely connecting regions.

Since then, many new railways have been laid. The total extension length of railways is several thousand kilometres longer than in 1946, the year following the country's liberation and a large loopline of railways linking the North and the South, east and west coasts and northern interior areas was formed.

Electrification of railway lines has been pushed ahead with.

During the Third Seven-Year Plan (1987-1993) alone, 800- kilometre-long lines were switched over to electrified ones, with the result that electrification of trunk lines was completed in the main.

The proportion of haulage by electric locomotives in the transport of freight amounts to more than 90 percent.

Material and technical foundations of railways have been consolidated.

Production capacities of the Kim Chong-tae General Electric Locomotive Works and other railway factories have risen and modernisation of their technical equipment has been promoted.

Locomotives and passenger cars and cargo wagons including 7,000- hp 8-axle electric locomotives, 2,500-hp diesel locomotives and 100- ton heavy-duty wagons are being mass-produced.

Modernisation of railways and the conversion of rails into heavy- duty ones have been accelerated so as to replace the existing rails with heavy-duty ones and put station yards on automatic lines.

The passage capacity of trains has steadily risen: Over 2.3 times only in a little more than 10 years.

The rapid development of railway transport reliably ensures socialist economic construction.

South Korea

Further on Allegations Against U.S. Forces

Group Protests Laney, Nye Remarks

*SK1309050195 Seoul YONHAP in English
0443 GMT 13 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 13 (YONHAP) — A civic group visited the U.S. Embassy here Wednesday morning to protest remarks made by U.S. officials about the Korean press and about crimes committed by U.S. Forces stationed here.

The group, "Headquarters of the Movement To Eradicate Crimes Committed by U.S. Forces in Korea," urged the United States to develop measures to prevent crimes by U.S. military forces stationed here.

U.S. Ambassador to South Korea James Laney told **THE NEW YORK TIMES** in a report published on Aug. 24 that an irresponsible Korean press is portraying crimes committed by American soldiers in Korea in a particularly lurid way that has inflamed the public.

On Sept. 9, **THE PACIFIC STARS AND STRIPES**, the U.S. military newspaper, quoted Joseph S. Nye Jr., assistant secretary of defense for international security affairs, as saying that the Korean press is maliciously distorting incidents related to U.S. Forces here.

Officials from the civic group said, "The recent remarks by U.S. officials ignore the crimes and violence committed by U.S. soldiers here and shuffle the responsibility for the rising sentiments about those crimes on the South Korean press."

Editorial Counsels 'Perspective'

SK1309022495 Seoul **THE KOREA HERALD**
in English 13 Sep 95 p 6

[Editorial: "Toward More Mature Affinity"]

[FBIS Transcribed Text] It wasn't until the turn of the 1980s that anti-American rhetoric was first heard outright in our society. Until then Korea was, perhaps, the only country on earth where "Yankee-go-home" was never shouted — this sentiment toward America was a single-minded gratitude for help during times of trial.

This attitude largely originates from Korea's traditional belief that talking ill of a benefactor is unvirtuous. In a somewhat emotional set of values, gratefulness is put before haggling over practical details. But this is slowly being eroded as an increasing number of people, i.e. student activists, grow skeptical of the U.S. role to their country.

Recent years have seen quite a few clashes involving American soldiers here and local Koreans which naturally drummed up negative media publicity. Flurries of media reports and subsequent controversies have generated no small amount of bad feelings on both sides. It is indeed unbelievable that these isolated incidents did such serious damage to the long-standing goodwill and partnership between the two friendly peoples. The recent Seoul subway incident embroiling a U.S. serviceman and Korean passengers was one such case.

Such incidents are likely to happen between any ethnic groups in a community. They should be dealt with by due process of law, putting the rival parties to fair scrutiny on an equal footing. It is hazardous and irresponsible to dramatize and exaggerate a mishap in a highly emotional and nationalistic way on behalf of either side.

All foreigners staying here are supposed to act with proper regard for the local customs and culture to build an amicable relationship with the host nation. In the same vein, the local people are expected to reciprocate in kind without looking askance at or discriminating against alien sojourners. Xenophobic sentimentalism of the host country is as absurd as the insensitivity of overbearing alien guests. Both parties must work together with open minds. The meeting of minds will not occur unless their minds are open and fair.

Americans can take due pride in helping Korea to flourish. This matches America's professed foreign policy ideals and serves practical interests as well. Speaking geostrategically, a potent Korea is in the interest of Washington in its global strategy to prop up its stature as a world leader.

It seems natural for Koreans to become increasingly aware of their national identity as their country's stature in the world community is enhanced. Patriotism can serve to enliven the national energies for the better, unless it degenerates into chauvinistic jingoism.

Perhaps a timely and appropriate initiative to be taken by our Foreign Ministry could help iron out any wrinkles created in the Seoul-Washington partnership. It could surely exert more to reduce friction over the clashes involving U.S. servicemen here by streamlining the seemingly tangled legal links with the United States, which will subsequently serve to blunt the hypersensitive reaction of Koreans to some touchy happenings and incidents involving American soldiers.

In an age of globalization, the local media should also take upon itself a new task of refining, sophisticating and internationalizing the closed and chauvinistic mind and psyche of their own nationals to prepare them for a better understanding of and meaningful exchange with not only their American friends but with other peoples of the world.

In today's world it is too much to expect Americans to be altruistic. That would only arouse emotional liabilities. Yet an emphatic effort is required of both sides. America has been and will remain our closest ally for many reasons, both spiritual and practical. Greater sincerity and mutual respect will ensure that the friendship continues. Allowing bias to hurt the well-intentioned pride of Koreans that stems from the unique values they place on virtue is inadvisable. Likewise, a more mature perspective of Seoul-Washington relations is required of Koreans.

Scope, Options Outlined for Northern Relief Aid**UN Report**

*SK1309100995 Seoul CHOSON ILBO in Korean
13 Sep 95 p 2*

[Article by reporter Cho Yong-taek from Geneva: "Report by UN Secretariat on Flood Damage in North Korea"]

[FBIS Translated Text] The following is a report prepared by the United Nations' Department of Humanitarian Affairs [DHA] on the flood damage in North Korea.

Overall Situation

As a result of torrential rain on three occasions between 7 and 15 July, 26 July and 12 August, and 17 and 20 August, approximately 145 counties were damaged, accounting for 75 percent of the entire country. Sixty or 70 persons were killed and 5.2 million left as flood victims; more than 70 persons are missing. Damage totaling \$15 billion occurred as a result of the destruction of industrial facilities and the loss of farmland, roads, and bridges.

On-the-Spot UN Survey Status

The report states 96,348 houses were damaged in North Korea. Severely damaged areas include Sinuiju and Uiju in North Pyongan Province and Insan, Unpa, and Sinpyong County in North Hwanghae Province. In addition, 102 reservoirs and 2,804 water pumping stations were damaged.

North Korea's annual grain demand is 7,639,000 tonnes. Because 1,900,000 tonnes of grain were damaged during the heavy rain this year, and because the original grain shortage was 1,950,000 tonnes, North Korea's grain shortage for this year is expected to total 3,875,000 tonnes [as published], half of North Korea's total grain demand.

There was no way for the survey team to confirm these estimates by the North Korean Government.

Among this 7,639,000 tonnes, North Korea's consumption of grain is 4,860,000 tonnes, accounting for 64 percent of the total demand. This indicates that North Korea's per capita consumption of grain is 630g. Among the rest, 1,200,000 tonnes is for industrial purposes, and the other 1,400,000 tonnes is for feed purposes.

The DHA expects North Korea will need 3,000,000 tonnes, which accounts for 40 percent of the total demand, because its importation of grain from foreign countries totals 893,000 tonnes, including gratuitous rice supplies from the ROK and Japan.

Nutrition for children who have not reached school age and who mainly eat corn has been aggravated, seriously causing respiratory ailments.

Children in flood damaged areas usually eat corn soup, but now it is difficult because they cannot pound corn as a result of power outages caused by the heavy rain.

In addition, 1,195,000 hectares of farmland were damaged.

While staying in flood damage areas, the survey team estimated that North Korea's crop harvest had been decreased by 15 or 20 percent more than expected, and therefore, between 1,700,000 and 1,450,000 tonnes of grain would be damaged. This is similar to the flood situation announced by the North Korean Government. In addition, North Korea stated it lost 626,200 tonnes of stored grain due to the heavy rain. North Korea reportedly lost 1,200,000 tonnes of grain last year due to heavy rain as well.

Mandatory Items for Emergency Relief

The most pressing emergency is to provide relief to 100,000 families directly effected by floods. Food and pharmaceuticals should be provided first. The UN assesses it has to send such relief material to North Korea at once. International efforts should be made to prepare for the winter, such as providing clothes and blankets, because North Korea has no raw materials to produce such items. We worry about contagious diseases in urban and rural communities caused by drinking water.

The North Korean Ministry of Public Health has reached its limit. Therefore, the World Health Organization should directly teach North Korea how to deal with the flood situation for one or two months.

For children, smallpox is a major problem. Among 500,000 children, 100,000 under the age of five should be vaccinated. It is of pressing importance to establish an international organization to monitor the nutrition of children.

The issue of insufficient nourishment should be carefully handled because it is common to see persons suffering from malnutrition in North Korea's rural communities.

North Korea even needs oil to transport relief material. The lack of oil delays the work to restore flood damaged areas. North Korea should restore its farmland and prepare to sow seeds next spring. Among these matters, the North Korean Government says it urgently needs food, housing, and pharmaceuticals.

UN News Conference

*SK1309072195 Seoul HANGUK ILBO in Korean
13 Sep 95 p 6*

["Gist" of news conference by Ola Langren, leader of the UN Department of Humanitarian Affairs inspection team dispatched to North Korea to survey flood damage, with unidentified reporters at the DHA headquarters in Geneva on 12 September; compiled by Geneva-based correspondent Song Tae-kwon — first paragraph is HANGUK ILBO introduction]

[FBIS Translated Text] Ola Langren, official of the UN Department of Humanitarian Affairs [DHA] who led the UN fact-finding teams to North Korea to scrutinize flood damage, held a news conference at UN Headquarters in Geneva on 12 September and called for international participation to provide emergency assistance to North Korea.

Here is a gist of the news conference:

[Reporter] Do the results of the UN fact-finding teams' survey on the North Korean flood damage indicate any differences between the actual flood situation and what has been reported by North Korea?

[Langren] Even though we could not visit all regions, we saw no reason why we should doubt the truth of the North Korean announcement that 75 percent of North Korean territory suffered damage. If by this winter, \$15 million in relief goods are not provided to 500,000 people affected by the recent torrential downpours, the worst possible situation will develop in North Korea.

[Reporter] Which regions did the UN fact-finding team visit?

[Langren] We mainly looked around western North Korea, including North Pyongan Province, North Hamgyong Province, and Chagang Province. We could not get access to eastern North Korea because of severe damage to infrastructure, such as roads and transport facilities. We inspected some areas by a helicopter provided by the North side.

[Reporter] Could you give us more details about the flood damage in North Korea?

[Langren] There was typical flood damage. In certain places, mud was six meters deep, and houses as well as roads and water supply facilities were destroyed. Residents in mass evacuation centers were plagued by severe food shortages.

[Reporter] Did the North Korean authorities restrict or interfere in the the inspection in any way?

[Langren] None at all. As a matter of fact, North Korea closely cooperated with us in carrying out inspection activities by providing transportation.

[Reporter] How will relief aid be provided?

[Langren] The UN DHA is focused on providing emergency assistance for the 500,000 flood victims. First of all, the agency plans to supply food to North Korea through China and Thailand, and will set up a concrete relief aid plan after the second round of inspections.

Seoul Prepares for Refugees

*SK1309073995 Seoul YONHAP in English
0725 GMT 13 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 13 (YONHAP) — The government is developing comprehensive measures to cope with the possibility that a large number of North Korean refugees may escape North Korea and go to South Korea, China and Russia, a senior government official said Wednesday.

Judging that the current "law to protect those brethren who defect from North Korea" cannot adequately accommodate a large number of refugees in such a short period of time, the government is studying ways to revise related laws in order to handle a large possible influx of North Koreans, according to the official.

The government is also deliberating whether or not to build refugee camps on the west and east coasts, considering that recent flooding in the North may cause collective defections by ship.

According to reports released Tuesday by fact-finding teams from international relief organizations, about 5.2 million North Koreans suffered from flood damage and about 500,000 people lost their homes.

What is worse, the North Koreans are expected to suffer from food shortages as North Korea is reportedly in need of about 3,875,000 tons of food grain this year — about half of its total yearly consumption.

Details of the government measures may include the establishment of an institutional system like job placement, vocational training, housing and financial supports, as well as ways to secure special funds to provide relief assistance to possible North Korean refugees.

The government has reviewed the refugee cases of Rwanda and Vietnam in order to come up with measures and to estimate the possible number of North Korean refugees and their likely defection routes.

Currently, the number of North Koreans who escape to China and Russia is about 5,000 a year, but the

recent flooding and food shortages may rapidly raise that figure, the official opined.

"So, we plan to complete consultations between related ministries to work out ways to cooperate with international relief organizations, like United Nations High Commissioner for Refugees (UNHCR), as soon as possible," he added.

The government is also studying ways to establish diplomatic channels with China and Russia in preparation for the possibility that North Korean refugees may escape to those countries as well as to South Korea.

Government Reviews Aid Options

*SK1309054495 Seoul YONHAP in English
0510 GMT 13 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 13 (YONHAP) — The South Korean Government is reviewing a number of ways to provide North Korea with relief assistance for serious flood damages which it has sustained.

The study coincides with a survey report compiled by the UN Department of Humanitarian Affairs (DHA), whose fact-finding team recently visited the North, and said that large-scale relief is needed in the communist country.

A National Unification Board official, noting that the DHA survey has revealed severe flood damage was sustained in the North, said Wednesday, "considering that an emergency assistance is necessary, we are considering various ways to help the North overcome the damage."

A formula under study on a priority basis calls for offering medical supplies and clothes through the United Nations or the Red Cross, according to the official.

As to the size of the relief effort, the official commented that the United Nations' total aid target of 15 million dollars and the fact that the government donated 1 million dollars to Japan in relief for the Kobe earthquake earlier this year will be considered when determining the amount of assistance for North Korea.

Meanwhile, Deputy Prime Minister Na Ung-pae is scheduled to report to President Kim Yong-sam Wednesday afternoon on the administration's plans for flood assistance.

In addition, Kim Kyong-ung, spokesman for the National Unification Board, said Wednesday, "no formal request for support has come from the UN Department of Humanitarian Affairs. And, there is no change in the government's policy to study ways to provide aid to North Korea if and when a formal request is filed by an international organization."

Asked if the government is considering to offer North Korea government-level aid, the spokesman responded, "for now we will wait and see if North Korea will take a sincere attitude at the forthcoming third round of the official South-North Korean talks slated for Sept. 27 in Beijing."

No additional rice aid to the North is being considered, Kim stated, adding that the previously approved 150,000 tons of rice aid will have been shipped to the North by early October.

WHO Contributes

*SK1209125795 Seoul YONHAP in English
1211 GMT 12 Sep 95*

[FBIS Transcribed Text] Brussels, Sept. 12 (YONHAP) — The World Health Organization (WHO) on Tuesday provided 100,000 dollars to North Korea suffering extensive flood-related damages.

A WHO official said the donation, based on a request from North Korea, will be used in procuring various emergency medical supplies.

WHO sent a fact-finding team jointly with the UN Department of Humanitarian Affairs (DHA) to North Korea on Aug. 29-Sept. 5 to look into the extent of flood damages.

North Korea claims property damages caused by the flood total 15 billion dollars.

The damages reportedly include irrigation ditches totaling 1,974km washed away or otherwise damaged, 482,406 head of livestock killed, and crops damage totaling 1,901,000 tons, roughly half of a year's total grain output.

News Analysis

*SK1309141895 Seoul HANGYORE SINMUN
in Korean 13 Sep 95 p 2*

[Article by reporter Yi Sang-ki]

[FBIS Translated Text] The government, which had a negative view regarding the issue of providing massive relief assistance to flood-damaged North Korea, has recently changed its position and is now considering providing assistance to the North. This is attracting public attention.

The government has adopted a positive stance on this issue because inter-Korean contacts are to be held during the negotiations that opened on 11 September on providing light-water reactors to North Korea and during the third round of vice ministerial talks slated for 27 September, as well as because the government believes

domestic public opinion, about which it was particularly concerned, has changed to the affirmative to a certain degree. In addition, the decision of other countries—such as the United States, Japan, and Norway—to offer relief assistance to flood-damaged North Korea influenced the government's policy on the issue.

Meanwhile, the government has expressed its official position that it is not currently considering the provision of relief assistance to flood-damaged North Korea, saying: "It will discuss the issue when international organizations ask the ROK to participate in providing relief assistance to North Korea, and when North Korea makes an official request for ROK assistance." However, officials concerned explain that the government maintains its official position externally for strategic reasons, seeing as the third round of inter-Korean talks lay ahead; internally, it is preparing various measures to provide assistance to North Korea.

In fact, Pak Myong-hwan, chairman of the Unification and Foreign Affairs Committee of the ruling Democratic Liberal Party (DLP), said in an expanded party executives' meeting held on 11 September: "Under the situation where inter-Korean relations remain delicate, it is desirable for the party to actively take the lead in supporting North Korea and to show a bold attitude of adhering to a humanitarian position and of loving our fellow countrymen." Pak's statement indicates a change in the DLP's position. The DLP, which previously was mostly negative to providing flood relief assistance, has expressed its willingness to provide extra-governmental assistance to North Korea, probably because a certain agreement was reached between the DLP and the government, which missed a chance to support North Korea even though it keenly felt the necessity of providing flood relief assistance, fearful of the same public opinion that worsened in the wake of providing rice to North Korea. It also seems the change in the DLP's position is at least aimed at expanding the government's choice on this issue. In fact, some politicians expressed concern about the possibility of the humanitarian issue of providing flood relief aid will have a negative influence on inter-Korean relations, much like the expression of condolences over Kim Il-song's death in 1994 which worsened inter-Korean relations when the government took an equivocal attitude following Kim Il-song's death.

For these reasons, the government has virtually decided to provide relief assistance to North Korea and is now studying the date, method, and scale of such assistance. In this regard, a National Unification Ministry official stated: "The government will provide North Korea with well-formed relief assistance to prevent such problems as those that occurred in the course of providing rice to North Korea."

Accordingly, it is highly possible that, taking public opinion into consideration, the government will demand that the flood relief aid be based on reciprocal principles rather than providing the assistance unconditionally. In other words, if the relief assistance is provided on a humanitarian level, it is believed the government will also demand the repatriation of the seamen of Usongho and Rev. An Sung-un on a humanitarian level, also.

Regarding the issue, a high-level government official stated: "The result of the upcoming Beijing talks, slated for 27 September, will be a decisive variable that will influence the government's final decisions about the scale, date, and method of flood relief assistance." He added: "Of course, the government will make a partial decision prior to the Beijing talks if the United Nations asks for ROK assistance."

North Reportedly Deploying Nodong-1 Missiles

*OW1209124995 Tokyo KYODO in English
1218 GMT 12 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 12 KYODO — North Korea completed the development of the Nodong-1 intermediate-range ballistic missile last year and has already begun deploying them, South Korea's YONHAP NEWS AGENCY reported Tuesday [12 September].

It was the first news report stating that Pyongyang has concluded development of the weapon, and quoted analysis by South Korean authorities.

The development of the Nodong-2, a more powerful version, will be concluded by the end of this year, the report said.

North Korea will be able to mass-produce the longer-range Taepo Dong-1 by the end of 1996, while the Taepo Dong-2 can be of practical use by the year 2000, YONHAP said.

Some 50 to 200 North Korean missile engineers have apparently been trained at the Chinese Aeronautics and Astronautics Industry Ministry, which was privatized in 1993, and the Chinese State Commission of Science, Technology and Industry for National Defense, it said.

North Korea has probably received technical support from Chinese defense and technology companies, the report said.

The main part of the Nodong missiles is almost identical to China's CSS-2 and the Taepo Dong type is similar to the Dongfeng missile, which China test-launched in July from Jilin Province in the direction of Taiwan, YONHAP said.

Thailand To Donate \$300,000 to KEDO*SK1309063495 Seoul MUNHWA ILBO in Korean
13 Sep 95 p 2*

[YONHAP report from Bangkok]

[FBIS Translated Text] On 12 September, the Thai Government decided to donate \$300,000 to the Korean Energy Development Organization [KEDO].

The Thai Cabinet approved in principle the financial assistance to KEDO, the international consortium set up to provide North Korea with light-water reactors.

Northern Trade With Japan Up; PRC, Russia Down*SK1209120495 Seoul YONHAP in English
1057 GMT 12 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 12 (YONHAP) — North Korea's external trade volume totaled 930 million dollars in the first half of this year, down 6.1 percent from the corresponding period of last year, the National Unification Ministry reported Tuesday.

The report said the decline was attributable mainly to reduced trade with its traditional major trade partners like China and Russia.

By country, trade with Japan amounted to 240 million dollars, up 60 million dollars over the like period of last year, with China to 270 million dollars, down 70 million dollars, and with Russia to 30 million dollars, a decline of 30 million dollars.

The ministry said North Korea's imports far surpassed exports since the turn of the year to further aggravate trade conditions.

North Korea's trade volume this year will be less than the 2,110- million-dollar level recorded last year, the ministry predicted.

Finance Minister Expects 9 Percent 1995 Growth*SK1309013495 Seoul YONHAP in English
0058 GMT 13 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 13 (YONHAP) — Finance and Economy Minister Hong Chae-hyong said Wednesday the economy would continue to expand in the latter half of the year and that the rate of economic growth should reach about 9 percent for the entire year.

The government's chief economic policymaker made the forecast at a joint government-industry meeting which President Kim Yong-sam presided over at Chongwadae to review the country's economic situation.

Hong, concurrently serving as deputy prime minister, predicted that the country's economic expansion would

continue into the second half of the year on the strength of brisk construction and surging private consumption, though exports and investments in equipment and plants are expected to slow down.

The weakening Japanese yen will have little influence on the economy during the remainder of the year, but if the yen continues its depreciation against major international currencies next year it could have adverse effects on the economy and the government should take measures to head off such effects, he remarked.

He added that the economic policy for next year will be designed to maintain an appropriate growth rate on the basis of price stabilization.

To sharpen the economy's competitive edge on the world market in 1996, the government will focus its policy on elevating the technical level of South Korean industries, increasing the skill of its workers, developing the capital goods industry and expanding the infrastructure, he added.

Industrial production continues to grow at more than 10 percent on a yearly basis, chiefly thanks to the expanding heavy and chemical industries, though the growth gap between the heavy and light industries remains unnarrowed.

Corporate investment in equipment and plants is slowing as a result of the sharp increase in production capacity in recent years, but the construction industry is recovering from the recession as a result of brisk investment, Hong said.

Kim Yong-sam Discusses Development Goals*SK1309040395 Seoul YONHAP in English
0246 GMT 13 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 13 (YONHAP) — President Kim Yong-sam said if the economy continues to grow while prices remain stable, as they have over the years, the nation would lay the foundation within two to three years of joining the family of advanced economies.

Presiding over a joint government-industry meeting to discuss and review the current economic situation at Chongwadae Wednesday, the chief executive instructed the cabinet to take measures to increase the international competitiveness of small and medium-sized businesses in line with its policy to make a special law supporting these businesses, noting that stable and steady growth of small businesses would solidify the foundation of the nation's economy.

Attending the meeting were some 180 government officials, business executives and workers.

Because the government has attained its objective of price stability, it should continue to do its best to stabilize prices through an effective supply-demand control of agricultural and other products, Kim said.

Large businesses should establish a practice of paying in cash, instead of using promissory notes which mature in several months, for goods and services supplied by small businesses in order to help ease their financial difficulties, he stressed.

Kim also stressed the role of effectively linking those who want to work with industries which need workers, urging the government and industries to cooperate in order to achieve this link as it would help to solve the nation's labor shortages.

Commenting on the long-term economic development plan, Kim said the government should draw on the wisdom and energy of all walks of life when presenting new generations with developmental visions and strategies for the country, which would help it attain a central role in the world economy during the coming century.

Heavy, Chemical Products Lead Increase in Exports
SK1309031095 Seoul THE KOREA HERALD
in English 13 Sep 95 p 8

[FBIS Transcribed Text] Heavy and chemical products, parts and materials have accounted for a greater portion of Korea's total exports, showing signs of an improvement in the nation's export structure.

Heavy and chemical goods went up from 68.7 percent of the nation's total exports in 1994 to 71.3 percent in the first seven months of 1995, the Ministry of Trade, Industry and Energy (MOTIE) said yesterday.

However, the comparable figure for light industrial products went down from 27.3 percent in 1994 to 24.1 percent in the same period of 1995.

Parts and materials also represented 52.3 percent of the nation's total shipments of industrial products in the January-July period of 1995, up from 49.1 percent in 1994 and 45.6 percent in 1993.

The export portion of parts and materials against light industrial goods increased from 40.4 percent in 1994 to 44.4 percent in the first seven months of 1995, and the comparable figure for heavy and chemical products jumped from 52.5 percent to 55 percent.

These figures indicate that Korea's export structure has gradually improved with the shipments of capital- and technology-intensive heavy and chemical products with parts and materials increasing at a handsome pace, a MOTIE spokesman said.

Exports of the nation's heavy and chemical products have been centered on advanced countries, whereas those of light industrial goods have been focused on developing nations, the MOTIE said.

Heavy and chemical goods accounted for 56.2 percent of the nation's total exports to advanced countries in the first seven months of 1995, a slight increase from 56.1 percent in 1994 and 53.2 percent in 1993.

In the meantime, light industrial goods represented 66.1 percent of the nation's total exports to developing countries during the January-July period of 1995, up from 65.4 percent in 1994 and 63.9 percent in 1993.

Private Sector Approved for Satellite Programming
SK1309090695 Seoul YONHAP in English
0631 GMT 13 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 13 (YONHAP) — The administration and the ruling Democratic Liberal Party plan to permit large businesses and media firms to take part in satellite broadcasting as program suppliers, while denying them channel rights.

An accord to that effect was reached Wednesday at an administration-ruling party meeting held at the Federation of Korean Industries in Yoido, southwestern Seoul, with Information Minister O In-hwan, Rep. Sin Kyong-sik, chairman of the National Assembly's Culture and Information Committee, and Rep. Ha Sun-pong, chairman of the DLP Third Policy Coordination Committee, attending.

This represents a change in the Information Ministry's policy of tentatively excluding large businesses and media firms from participating in satellite broadcasting. However, when they are permitted to be program suppliers, it will basically allow them to participate in satellite broadcasting.

The administration and the ruling party are set to prepare a consolidated broadcasting bill by Sept. 20, announcing the legislation to the public in advance, before submitting it to the current parliamentary session for deliberation.

Explaining the background of the agreement, a DLP official said, "With the launch of the world trade organization, large foreign enterprises are expected to take part in satellite broadcasting in the country sooner or later. To deny major domestic businesses access to satellite broadcasting at this juncture runs counter to, and will act against, the build-up of the nation's competitiveness in the field."

The consolidated broadcasting bill, now being drafted by the administration and the ruling party, combines

the present Broadcasting Law with the Comprehensive Cable Broadcasting Law and accommodates most of the administration's five-year advanced broadcasting program.

With a view to protecting the viewers from broadcasting giants, the proposed bill will also create an article calling for the inauguration of a viewer protection committee, guaranteeing viewers have the right to refute broadcasts, according to the DLP official.

Party Reports on Kim Chong-pil's Health

*SK1309023195 Seoul THE KOREA HERALD
in English 13 Sep 95 p 2*

[FBIS Transcribed Text] In the Communist world, a politician's appearance at public functions is a key indicator that he will remain in power. Something spooky could be happening to him when he is kept out of public view.

If the politician in point is an elderly man, speculation spreads that he may be afflicted with a serious ailment, providing foes with a good chance to demand a generational turnover.

On the domestic political front, speculations run wild over the status of veteran politician Kim Chong-pil, 69, who has shut himself out from the political spotlight for more than a week.

Going back on his word, Kim even failed to turn up at the opening ceremony of the National Assembly's regular session Monday.

The United Liberal Democrats (ULD), a splinter opposition party led by Kim, said that he is under treatment for a "slight" illness.

"The party president is being treated for his neuralgia. He is generally in good health," said the party spokesman.

The spokesman added that tough campaigns during the June local elections have aggravated his neuralgia, a geriatric disease, from which he will recover soon.

Some in the party worry that Kim is probably too ill to take good care of party affairs.

But what they are really concerned about appears to be his worsening health, which may add fuel to a growing call for a generational change in politics, a political theme which may hurt their party during the general elections next April.

"I am afraid that his age and worsening health will be targeted by those forces who advocate a generational hand-off in the National Assembly elections," said a party official.

Another speculation has it that Kim is recoiling himself before a great leap forward.

Kim, who created the ULD in April this year, apparently feels uneasy about his party being dwarfed by the new opposition party led by his rival Kim Tae-chung.

The inauguration of Kim Tae-chung's National Congress for New Politics (NCNP) last week has swiftly shoved the ULD to third in order of rank among opposition parties after the Democratic Party.

At the inaugural rally, Kim Tae-chung, as the leader of the largest opposition party, demanded a one-on-one meeting with President Kim Yong-sam in a showdown to prove that he rules the opposition camp.

Threatened by his move, Kim wants to secure his post as one of the dominant political figures, together with President Kim and the NCNP leader.

He seems to be worried that his party may not win many National Assembly seats, said an aide to ULD leader Kim.

Kim has reportedly ordered his policy team to work out strategies for the general elections, including siphoning off forces that are against the other two Kims.

But his party appears to be lacking unity in the face of the crucial general elections. Some leading party

members from Taegu and North Kyongsang Province are lukewarm in closing ranks behind Kim's leadership.

At an appropriate point, Kim will conduct a reshuffle to brace up for the elections that are only a few months away, said the aide to Kim.

Brunei, Malaysia & Singapore**Malaysia****Editorial Criticizes West's Strategy on Bosnia***BK1209125195 Kuala Lumpur NEW STRAITS TIMES
in English 11 Sep 95 p 12*

[Editorial: "A Half-Measure of Bosnia"]

[FBIS Transcribed Text] In its air assault over Bosnia, the Western powers might have just been playing big daddy to the bully boy of the Balkans — slapping him hard enough to leave him content with only half of what he grabbed from others, rather than teaching him a lesson. The 51-49 partition plan had been tailored as the principal instrument of appeasement to the Bosnian Serbs, a fact which gave them every pretext to play hard to get. Over the past year, the Serbs have toyed with it to the point of mockery — pretending to consider it and then pretending to consider negotiating over it before rejecting it and making an exhibition of their contempt. At one stage, it was even unanimously turned down by their "parliament" in Pale. At every stage, they lulled and strung the plan's sponsors along until enough was found lacking in the proposals to camouflage a resumption of aggressive force. And with each successive demurrer, the plan was sold harder and more cheaply to the aggressors.

Far from drawing a line above which would be too high a price to pay for peace, the plan's proposers — the Contact Group of the United States, France, Britain, Germany, and Russia — tried at each turn to make it sweet for the Serbs. For instance, only a Machiavellian motive of peace at any cost (to the obvious losers in the plan, that is) could have been behind last month's unbelievable strategem to allow the Serbs to retain the 70 percent of Bosnia they now control. Instead of standing on the essential fairness of the partition formula, the group took the Serbs' defeat by the Croatian onslaught as the needed occasion for the rebels to settle up before they lost any more. True to form, they responded by dallying further and tightening the screws on Sarajevo. Even so, had the protection of the Bosnian capital not been under NATO command, the Serbs' terrorism would not have elicited the robust military response that it did.

That response came close to being the Western powers' saving grace after the sorry spectacle of the past three years. It softened some of the most vehement critics (the most articulate and vocal of whom were domestic rather than habitual anti-Western bashers) of Western non-action in the Balkans. It has, therefore, not just been a disappointment to Bosnia's most active supporters that the powers have finally obtained agreement for a

partition of the country. While it may only be a partition of sorts, rather than a bifurcation into two separate sovereign entities (as the Serbs had wanted), the fact remains that the aggressors stand to gain more than were theirs to begin with, more than they deserve by right. It is a matter of no dispute that the arrangement is a major concession to the Serbs as it had been intended from the start. Even as the NATO warplanes were swarming over Serb positions, the architects of the plan had eventual Serb agreement, not retribution, as their ultimate target. The Serbs had to be drubbed just enough to promise not to make an international nuisance of themselves, not to give back what they had taken by force.

The fact that the plan will frustrate Serb chauvinists of their dreams for a Greater Serbia is scant compensation for those who had rallied to the Bosnian cause on the principle of it all. Even less cause for joy is the widespread feeling that rebel Serb compliance cannot itself be assured as long as Bosnia's own security is in any risk. There is plenty still to do with the half-filled glass that Bosnia is likely to end up as, plenty to do to keep it safe from its unrepentant aggressors.

Democratic Action Party Retains Seat in Bagan*BK1209093895 Kuala Lumpur NEW SUNDAY TIMES
in English 10 Sep 95 pp 1, 2*

[Report by A. Kathirasen and Noor Adzman Baharuddin]

[FBIS Transcribed Excerpt] Butterworth, Sat [9 September] — The DAP [Democratic Action Party] retained the Bagan parliamentary seat with a massive and unexpected majority of 11,802 in a three-cornered fight with the Barisan Nasional [BN — National Front] and an independent.

Its candidate Lim Hock Seng polled 27,166 votes against the BN's Yeoh Khoo Chooi who received 15,364 votes. Independent Richard Tan Kee Chye polled only 75 votes. Tan did not turn up at tallying center.

A total of 43,286 voters or 61.46 per cent cast their votes in the by-election held following the death of DAP strongman P. Patto on July 12. There were 681 spoilt votes. Returning officer Zahari Senu announced the results at the Sekolah Rendah Jenis Kebangsaan (Cina) Chung Hwa 1 [Chinese primary school] in Jalan [road] Telaga Air at 9.15 pm [1315 GMT] to overwhelming applause from DAP supporters who mobbed Lim. [passage omitted on performance of DAP candidates in previous general elections]

Commentator: DAP Wins 'Much-Needed Boost'

*BK1309032195 Kuala Lumpur THE STAR in English
12 Sep 95*

[Comment by V.K. Chin: "Giving Beleaguered DAP a Much-Needed Boost" — received via Internet]

[FBIS Transcribed Text] The DAP's [Democratic Actioning Party's] easy victory in the Bagan parliamentary by-election on Saturday will give the party and its beleaguered secretary general a much-needed boost in its political struggle.

The win has enabled the party to salvage some of its lost pride suffered at its disastrous showing in the April general election in which its representations in Parliament and the state assemblies were decimated.

In the Bagan by-election, the voters had made what would be known as a technical correction, to coin a phrase often used by analysts and players in the stock market.

Many people were shocked by the massive rejection of the opposition, in particular the DAP, whose majority in Parliament was reduced to single digit and it fared no better at the state level.

The April election was devastating to the DAP and this was followed by recriminations and bickering over the strategy used.

Lim Kit Siang had resigned to bear full responsibility for the debacle and, as expected, it was rejected by his executive council.

With the Bagan success, Lim and the DAP will have greater confidence that the party is still needed by the people. Its candidates were the victims of the pro-Barisan Nasional [National Front] tidal wave which swept aside the opposition.

The voters seemed to have cast their preferences with their feet as well and, hence, the impressive majority of the Barisan in the electoral exercise just five months ago.

It was obvious, too, that the people had confidence in the leadership of Prime Minister Datuk Sri Dr Mahathir Mohamed, who has brought much progress and prosperity to the people and country.

But what many people had failed to realise was that the swing towards the Barisan would be so great that the opposition was almost wiped out. This face only surfaced when the election dust had settled.

By then, it was already too late. The Bagan message for the DAP and the opposition is that they still have a role

to play in Malaysian politics and it would be a mistake to give up so easily.

As for the Barisan, it should not take things for granted. The people, on the whole, may wish the Barisan to continue to govern the country, but its leaders must always be vigilant and continue to deliver the goods.

So long as they continue to do this, then the opposition will have an uphill task to dislodge them. The Bagan majority could be due partly to the poor turnout of voters which was less than 50 percent.

The Barisan component parties could have made a greater effort to bring out more people to the polling stations. Perhaps the people are getting tired of elections following the spate of election petitions in the court.

The local media too has been full of news about unhappy voters wishing to declare the election in a particular constituency to be null and void so as to create a by-election.

Politicians must not test the people's patience. The general election is over and the people would like the Barisan government to spend more time in developing the country so that they can enjoy a higher standard of living and a better quality of life.

If the Barisan wishes to do as well in the next general election five years hence, then its elected representatives must show a greater interest in the welfare of the people and carry on with their constituency work.

Singapore

'Lessons in Diplomacy' for U.S. Officials Urged

*BK1309031195 Singapore BUSINESS TIMES
in English 12 Sep 95*

[Article by Anthony Rowley, BUSINESS TIMES correspondent in Tokyo: "The Misinterpretation of the U.S. Policy by the U.S." — received via Internet]

[FBIS Transcribed Text] The present U.S. Administration is a "democratic" one, so perhaps one should not be too surprised by the fact that some of its members feel free to go around interpreting policy as they see fit.

The trouble is that this can lead to some embarrassing reversals (not to mention misunderstandings with Washington's major partners).

We have already seen a series of such reversals in the space of less than a year. First, "benign neglect" of the dollar gave way to a realisation that this threatened a global economic slowdown and a banking collapse in Japan. And then, the policy of bashing Japan on trade

had to be soft-pedalled for fear that the empire might strike back.

From there on, things moved into the realm of even more egregious folly after senior U.S. trade official Jeffrey Garten declared in Tokyo last month that Washington was in the process of reevaluating all its foreign relationships, with "economics" as the core criterion for grading them.

From being supposedly the "most important bilateral relationship in the world," the U.S.-Japan partnership looked to be headed for the rocks if trade was to become the determinant of international relations. Already, strained U.S. relations with China would hardly pass muster either. Was U.S. diplomacy to be conducted on the basis of a kind of Moody's rating system? Many wondered.

U.S. Commerce Secretary Ron Brown then moved to squash this idea, as indeed did President Bill Clinton himself. For good measure, U.S. Defence Undersecretary Joseph Nye followed Mr. Garten to Tokyo after a lapse of a few weeks and debunked the idea that what he called "geoeconomics" was now the key to U.S. foreign policy.

"International economic systems rest upon international political order," he rightly suggested.

Mr. Nye's own utterances, however, were most unfortunate in other respects and may call for some kind of rebuttal in the future by other Clinton administration officials. He let drop a very broad hint that if East Asia were to proceed with the idea of forming an East Asian Economic Caucus (EAEC), then the U.S. would "probably withdraw our security presence" from the region.

Such radical action would be justified by the fact that the EAEC threatens to "exclude the U.S. from the region economically," Mr. Nye claimed. This is an extraordinary suggestion. Has the U.S. ever threatened to withdraw its military presence in Western Europe because it was not invited to become a member of the European Community? The answer, of course, is no — for the simple reason that the U.S. has strong strategic reasons for having a strong military presence both in Europe and in Asia. It is, as Russian President Boris Yeltsin bewailed in the wake of the NATO attacks on Serbian positions, intent on remaining the "world's only superpower."

What makes Mr. Nye's statement more incomprehensible is the fact that in almost the same breath that he made it, the U.S. undersecretary also acknowledged the fact that "our military engagement (in East Asia) is not a favour we are doing for anyone else, but rather reflects our own interests in the region."

An equally unfortunate remark was made a week or so later by leading U.S. economist Fred Bergsten in his capacity as chairman of the APEC [Asia-Pacific Economic Cooperation] Eminent Persons Group. He suggested that before any existing subregional economic grouping in East Asia (e.g. ASEAN) is allowed to pursue further integration, it should, in effect, have to seek the blessing of APEC and of the World Trade Organisation.

Again, this is extraordinary. APEC is a voluntary and non-binding agreement among Asia-Pacific states and why it should have the right to veto any proposal from formally constituted bodies such as ASEAN is hard to see.

APEC needs to move carefully in order to avoid giving the impression of patronising any of its members, especially as it is viewed as an instrument of U.S. policy in this region. A few lessons in diplomacy would not come amiss among visitors from Washington.

Australian Officer Predicts Closer Cooperation

*BK1309054795 Singapore THE STRAITS TIMES
in English 12 Sep 95 p 3*

[Report by Felix Soh]

[FBIS Transcribed Text] Defence cooperation between Australia and Singapore will expand even further, according to Australia's top military officer.

Speaking to THE STRAITS TIMES yesterday, visiting Chief of Defence Force [CDF] General John Baker disclosed that the two countries were having discussions about provision of wider and more training facilities in Australia for the Singapore Armed Forces.

"Also, both sides are discussing the expansion of scientific cooperation in defence research and development.

"Of course, there is that common core — which we long had — of training and exercising, and we will continue to develop, improve, and get better value out of these activities," he said.

Gen. Baker, 59, arrived in Singapore on Saturday on a four-day visit at the invitation of the republic's chief of Defence Force, Major General Bey Soo Khiang.

A Ministry of Defence statement said his visit, his first official trip to Singapore since his appointment as Australia's CDF in July, reflected the strong and warm defence relations between the two countries.

Yesterday, he called on Deputy Prime Minister and Minister for Defence Dr. Tony Tan and Maj. Gen. Bey at the Ministry of Defence at Gombak Drive. Earlier, he also called on the acting prime minister, Brigadier

General (NS) [National Service] Lee Hsien Loong, at the Treasury Building.

His programme includes visits to the SAFTI [Singapore Armed Forces Training Institute] Military Institute, Tuas Naval Base, and Tengah Air Base. He was hosted to a dinner in his honour by Maj. Gen. Bey last night.

Commenting on the purpose of his visit, Gen. Baker said: "Having recently taken over as Australia's CDF, I thought it was important that I should continue the strong personal relationship with the senior members of the SAF."

The close defence relations between Australia and Singapore could be seen in the many military exercises between the two countries as well as the access to training facilities offered to the SAF.

These include the setting up of the Republic of Singapore Air Force Flying Training School (FTS) in Pearce, Western Australia, regular fighter deployments to Australian bases for training, and a five-year agreement to conduct annual armour exercises at the Shoalwater Bay Training Area in Queensland.

The presence of the SAF in Australia has also brought economic benefits to Australian communities and commercial enterprises, such as the A [Australian] \$23 million (S [Singapore] \$25 million) contract awarded to Kinhill Engineering to construct the FTS facilities at Pearce.

Elaborating on increased cooperation in defence technology, Gen. Baker said: "Neither of our defence forces is big enough to sustain a defence industry so, by co-operating, we can obtain economies of scale."

On defence ties between Australia and Singapore, he said: "With the end of the Cold War and the new strategic circumstance, the relationship had taken on new depths, new meaning, and, in my view, new importance."

Explaining, he said: "The defence relationship with Singapore is important to us because of our policy of closer engagement in the region in military, economic, trade, and cultural terms."

Gen. Baker also noted: "The interesting point about talking with Singapore is that it is very hard to find problems.

"Instead, we've found a lot of common views."

Cambodia

Minister Inspects Road Construction in Northeast

BK1309103095 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 13 Sep 95 p 11

[FBIS Translated Excerpt] [passage omitted describing the state of the old road from Snuol District to Mondolkiri Province] During a trip to inspect construction work on National Route 76 (formerly National Route 14) from Snuol to Sen Monorom in Mondolkiri Province, Ing Kiet, minister of public works and transport, told the local population that we have again linked the northeast region to the central region. This is an urgent task most needed by the Royal Government to pave the way for development in the area. Construction of this road is the starting point for attracting investors to the area to develop existing local resources, a fine source that has not been tapped for decades.

The minister appealed to international organizations to assist in the construction of this road, and to ensure good traffic. Uk Chan, head of this worksite said that the stretch of road to be built is 80 kilometers long. The Ministry of Public Works and Transport has already cleared the forest along both sides of the road and paved nearly 30 percent with laterite. The road needs to be widened to 15 meters. Many bridges must be built. In the past three months, a 48-meter bridge, the O Chimeang bridge in Snuol District, Kratie Province, was completed.

In addition, more major bridges are being built, such as the 36-meter-long O Te and O Chhlong bridges, as well as three other 10-meter bridges. The Ministry of Public Works must spend at least 500 million riel [figure and currency as published] to do this work well.

By the end of 1996-97 the Royal Government plans to pave this road with asphalt, from Khsoem commune in Snuol District to Sen Monorom, in conformance with technical standards, requiring paving between 6 and 10 meters of the road's width. Three thousand tons of asphalt are needed for this road project. Nu Pheang, governor of Kratie Province, told our correspondent that Kratie has everything except a road network — the biggest obstacle hindering travel. [passage omitted on another local official talking about good prospects once the road is completed]

Army Development Project Faces Finance Problems

BK1309045795 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 13 Sep 95 pp 1, 11

[FBIS Translated Excerpt] [Passage omitted] Major General Li Senghong, deputy chief of staff in charge of army development nationwide, said that whether or

not the CDC (Cambodian Development Council) makes a decision on the development projects, it is not a crucial issue for us because the government has already allocated land in this area for the General Staff Office to develop. Therefore, the CDC issue should be left to the government to decide. The problem facing the Army Development Center in Stoeng Chral is the lack of funds available to develop the area.

Under the pretext that the government has allocated this land to the General Staff Office for development, the General Staff Office has already received millions of dollars from companies and has promised to allocate to them the land they need. As far as it is known, all of the 120,000 hectares at the disposal of the General Staff Office have been allocated.

[Passage omitted describing some buildings and a four-kilometer unfinished road in the area due to lack of money]

What is regrettable is that although the government has allocated this land to the General Staff Office to legally develop it, so far no international organization has dared to provide money to support this kind of development project. Concerning this, General Li Senghong said perhaps it is because these organizations are afraid of political ramifications since this is an army project.

The army development project is not limited to the General Staff Office. At present army development areas have been set up in all military regions. In the 1st Military Region about 250,000 hectares of land in Mondolkiri and Stung Treng Provinces have been allocated for this purpose. In the 2d Military Region there are about 100,000 hectares in the old Zone 2 (Kompong Cham). The 3d Military Region has about 100,000 hectares in the Thmar Bang area and the National Route 18 in Koh Kong Province. The 4th Military Region has about 200,000 hectares planned for development along the Thai border from Ta Tum camp to Ampil in Banteay Meanchey Province. The 5th Military Region has about 100,000 hectares planned along Route 10 and along the railway line up to Moung Russei District in Battambang Province. The Special Military Region also has about 100,000 hectares in Kompong Chhnang Province, from Romeas to Aoral Chas.

Indonesia

SRV Official Rejects 'Force' on Spratlys

BK1309022795 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 13 Sep 95

[FBIS Translated Text] Nong Duc Manh, head of a Vietnamese parliamentary delegation, has called on all parties involved in the Spratlys issue not to resort

to force but rather to use the negotiating table to settle the dispute. Nong Duc Manh said this during a dialogue with the Interparliamentary Cooperation Board of the Indonesian House of Representatives led by Theo Sambuaga in Jakarta yesterday. Nong said pending a final settlement, those claiming the Spratlys could explore possible cooperation in such fields as marine surveys. He reaffirmed Vietnam's commitment to ASEAN's goal of maintaining regional stability.

Army To Boost 'Territorial Operations' in Timor

BK1309071895 Jakarta ANTARA in Indonesian 2001 GMT 12 Sep 95

[FBIS Translated Text] Jakarta, 11 Sep (ANTARA) — Indonesian Army Chief of Staff General R. Hartono has stated that the Armed Forces of the Republic of Indonesia [ABRI] will continue to boost territorial operations in East Timor in order to maintain security in the territory.

"It is important to maintain security and overcome possible difficulties in the territory. The recent rioting was clearly ethnic, religious, racial, and communal in nature," he told reporters following a thanksgiving party marking the anniversary of the Indonesian Armed Forces Children Communication Forum in Jakarta on Tuesday evening.

According to Hartono, the rioting in the East Timor capital of Dili over the weekend was ethnic, religious, racial, and communal in nature because some people had intentionally or unintentionally humiliated the religion of the majority of the local population.

"I understand that this was appalling to the religious believers, but I deeply regret the acts of destruction," he said.

The four-star senior officer said the rioting was not engineered and that local authorities were investigating the case.

"Let the local authorities deal with the case! I have nothing to do with it. I am in charge of fielding troops to maintain the security there," he said.

Hartono added that the destruction of public facilities in Dili should not be quickly interpreted as a lack of religious harmony in Indonesia because such acts of destruction have also taken place in other regions of the country.

"Such cases have also taken place in other regions. The acts of destruction should not be interpreted as a sign that there is no religious harmony. Not necessarily. For example, such cases have taken place in East Java," he said.

According to Hartono, citizens should not be so quick to comment on sensitive religious cases.

10 People Arrested for Arson at Dili Market

BK1209133695 Jakarta ANTARA in Indonesian
1040 GMT 12 Sep 95

[FBIS Translated Excerpt] Dili, 12 Sep (ANTARA)—Colonel Drs. [academic title] Sugianto Andreas, head of the East Timor Regional Police, has said that about 10 people believed to be the perpetrators of arson at the Comoro market in Dili have been arrested.

"The perpetrators of the torching of the Comoro market, who we believe to be the 'masterminds' of the incident, have been detained," Andreas told journalists in Dili on 12 September. He was asked to explain how successful the police have been in catching those who set fire to the building. [passage omitted]

Andreas said that eight policemen, three soldiers from the 1627 Military Division Command in Dili, and five civilians are among the seriously injured victims of the incident at the Comoro market. They are now being treated at the intensive care unit of the General Hospital in Dili.

Andreas is calling on all levels of society to cooperate with the police force in an effort to maintain calm in the area.

"People must be cautious of any act of intimidation and provocation, especially those that are spread through illegal pamphlets that contain the SARA [ethnic, religious, racial problems and imbalance of equality in society] issue to cause disunity among them," he added.

E. Timor Resistance Issues Statement on Uprising

BK1309035695 (Internet) INDONESIA Listserv
in English 13 Sep 95

[Statement by the National Council of Maubere Resistance on 'Youth Uprising in East Timor' issued on 12 September; place not given]

[FBIS Transcribed Text] Over the last few days, East Timor has once again been rocked by violent disturbances. The current wave of riots and public protest by East Timorese youths against the consequences of the illegal Indonesian occupation of the territory is the most intense and widespread so far. Youths protest against Islamisation, immigration, and economic exploitation by Indonesian occupiers. The latest violence was sparked by insulting comments from an Indonesian prison official against the Catholic faith, espoused by the great majority of East Timorese.

The military authorities have acted violently against the demonstrators. Over 400 arrests (Radio Netherlands, 12 September) and at least 4 deaths (REUTER, 11 September) have occurred. Indonesian military authorities deny these reports as well as the accusations that brutal torture is being applied to the detainees, claiming that the situation is back to normal.

Reports from Dili indicate that arbitrary arrests continue, and new forms of torture are being utilised in questioning, such as inflicting cuts with razor blades and pouring salt into the wounds.

Local military leaders as well as the Indonesian politics and security affairs minister stated that harsh measures will be taken against the protesters. Such manifestations of popular discontent against the unacceptable conditions are usually met by strong military repression and violence, without any genuine attempt to address the root causes of the problem, that is, the heavy-handed illegal Indonesian occupation and its harsh colonialist nature.

In addition to the brutality of the Indonesian occupation army since the 1975 invasion and the repression and ongoing violation of human rights, a recent source of grievance for the East Timorese has been the strong colonisation of the territory by Indonesian transmigrants, mostly Moslem small traders and farmers. With the support of the authorities, these newcomers increasingly displace the local population from economic activity and from their land, while actively trying to impose their faith. As a result, East Timorese are becoming economically marginalised in their own land. Now, even their basic religious beliefs are coming under attack, as illustrated by the prison official's remarks.

Military attacks on the Catholic Church, seen as the strongest bastion of protection of the East Timorese people against Indonesian oppression, have increased in past months. Indonesian military support for current Islamisation efforts have outraged the East Timorese, creating a new battle front. A deep religious conflict is being fostered as a new dimension of conflict in the territory. The latest violence illustrates its strength.

In a Radio Australia interview on 11 September, East Timorese spiritual leader and Nobel Peace Prize candidate, Bishop Ximenes Belo, has strongly condemned the oppression, injustice, corruption, and disrespect for human dignity which characterises the present situation under Indonesian rule. Bishop Belo also deplores the dishonesty and hypocrisy of Indonesian authorities whose repeated past promises to improve the situation have all proven to be empty. As a result, the bishop concludes, the Indonesian Government has lost its credibility with many East Timorese people.

Asked for views out of the present situation, the bishop calls for radical changes of policy in East Timor. The authorities need to acknowledge their own failures, rather than merely putting the protestors at fault, he adds.

In a message of support to the East Timorese youth revolt, jailed resistance leader Xanana Gusmao wrote on 11 September that there can be no peaceful coexistence with the occupiers of East Timor while they carry out a physical, ethnic, and cultural genocide of the people. Xanana Gusmao said that these last 20 years of colonialist repression have led the territory to be flooded with people belonging to the lowest social stratum of Indonesia. Such people comprise the most uncultured and poor of Indonesia, a country seemingly unable to survive on the basis of its own development, so that it needs to usurp the land and resources of its neighbours. Xanana Gusmao added that "the colonialists shamelessly insult our faith and our beliefs, pretending, thus, to destroy the spiritual foundations of the East Timorese people."

Speaking in Sydney, Australia, CNRM [National Council of Maubere Resistance] Special Representative Jose Ramos Horta called upon Australian Prime Minister Keating to use his coming visit to Jakarta to forcefully raise the East Timor issue with Indonesian President Suharto. "The unacceptable current situation can simply not be allowed to continue. This situation is very detrimental not only to the East Timorese, but also to Australian and Indonesian interests. All sides, including Indonesia, would derive much benefit from a radical change of policy, seeking a genuine and internationally acceptable solution of the East Timor issue without further delay. Such a solution requires entering into talks with the East Timorese resistance".

Horta added that as a responsible neighbour, Australia should use its influence in Jakarta to help induce such a change of policy. Only then will it be possible to remove the most serious stumbling block to the desired close neighbourly relations between Australia and Indonesia. "Unless East Timorese rights and aspirations are respected, the hope for peace in the region will be hard to attain, much to the detriment of all regional peoples."

Permadi's Detention for Insulting Islam Suspended
BK1309094895 Jakarta ANTARA in Indonesian
0540 GMT 13 Sep 95

[FBIS Translated Excerpt] Yogyakarta, 13 Sep (ANTARA) — K.R.T [Javanese royal title] Permadi Satrio Wiwoho S.H. [Master of Law] alias Permadi S.H. has left the Wiroguna Correction Center in Yogyakarta fol-

lowing the arrival of a letter from the chief judge of of the Yogyakarta High Court last night suspending his detention.

Permadi left the Correction Center at 2230 West Indonesian standard time [1530 GMT] after receiving the suspension letter from Prosecutor Dony Kadnezar S.H. He returned to his family home at the Jatimulya housing estate, Yogyakarta.

Ramdlon Naning S.H., one of Permadi's counsels, said that the decision on the suspension of his client's detention was effective on Tuesday, 12 September, after the legal advisory team submitted an appeal for the suspension the previous day. [passage omitted]

Editorial Views East Timor Rioting

BK1209163795 Jakarta SUARA KARYA
in Indonesian 12 Sep 95 p 5

[Editorial: "Rioting in East Timor"]

[FBIS Translated Text] For a heterogeneous nation like Indonesia, the SARA [ethnic, religious, racial, and intercommunal] issue has been anticipated since the formation of the republic. The republic's founders embodied diversity in the nation's coat of arms because of this. The motto is: Diversity in unity. We are different from one another, but we live in one nation. It means that the founders of our nation are truly aware that Indonesia is a heterogeneous nation. Historical experience shows that Indonesia is a nation that is prone to divisions.

The Youth Pledge of 1928 was announced against this background. In the historical process, the Youth Pledge enabled the Indonesian nation to proclaim its independence on 17 August 1945. With this pledge and due to our unity, diversity has become a strong force. It is so strong that, without being aware of the passage of time, we commemorated the 50th anniversary of Indonesian independence in 1995.

With all the achievements that we are enjoying now, the diversity of the Indonesian nation will continue because we are destined to be heterogeneous. The question is whether or not diversity is going to be a positive or a negative factor in the effort to fulfill the aspirations we set when we declared our independence. In this context, it is very worrying when we hear about the development of SARA-related incidents such as those that occurred in East Timor last week. Brigadier General Suwarno Adiwijoyo, chief of the ABRI [Armed Forces of the Republic of Indonesia] Information Center, says that the rioting in East Timor several days ago is purely related to SARA.

We thank God that the rioting has been stopped. Even Monsignor Carlos Filipe Ximenes Belo, the highest-ranking Roman Catholic leader in East Timor, has regretted the outbreak of violent and destructive acts in the area.

"Catholic teachings absolutely do not approve violent and destructive acts," he said in a statement as he attended a ceremony to mark the 50th founding anniversary of Balide Church in east Dili on Friday, 8 September.

It seems that the SARA remains a highly sensitive issue to the Indonesian society in East Timor, when compared to those in other provinces. This is because the SARA is being used as a weapon by elements that are not satisfied with the situation there. They also used the SARA to spark off the rioting in East Timor last week.

East Timor is a young province that was left in poor condition by Portugal, and the development process can be described as relatively rapid when compared to other provinces that have conducted development programs over 50 years of independence. Thus, the signs of rapid development have led certain groups to lean toward using the SARA to upset the situation—particularly because of the coincidence that multiethnic groups are identified with religious differences. This has aggravated diversity somewhat.

We know that the provincial government has instituted several measures to resolve the situation. The East Timor people should use diversity as a force to bring rapid development to the province and not to bring about the opposite result.

People who come to East Timor to participate in the development of the province should adopt the wisdom of the proverb: "When in Rome, do as the Romans do." Thus, diversity will become a force.

Harmoko Reports on Economy at Cabinet Meeting

*BK1309094395 Jakarta THE JAKARTA POST
in English 7 Sep 95 p 1*

[FBIS Transcribed Text] Jakarta (JP) — Indonesia's trade in June ran a deficit for the first time in several years due to increasing imports of machinery and auxiliary materials for industrial production, Minister of Information Harmoko announced.

"Our exports reached U.S.\$3.76 billion in June, while imports were recorded at \$3.97 billion, so we had a deficit of U.S.\$204.9 million that month," he told reporters after a monthly cabinet meeting at the Bina Graha Presidential Office.

"President Suharto ordered all related parties to help boost exports and reduce imports to get a surplus again and strengthen our foreign exchange reserves," the minister said.

Indonesia's foreign exchange reserves are currently estimated at about \$13 billion.

Harmoko explained that Suharto, who presided over yesterday's meeting, wanted all related parties to take part in expediting exports.

"The President also wants all related institutions to facilitate imports of capital goods and auxiliary materials for industrial production," he said. "However, we should not import materials which have been produced domestically."

Harmoko said that non-oil products contributed \$2.91 billion to June's export revenues while oil and gas exports accounted for \$858.3 million.

He said the June exports brought Indonesia's total exports during the first six months of this year to \$21.18 billion, consisting of \$15.91 billion of non-oil exports and \$5.26 billion of oil and gas exports.

"The January to June exports indicated a 15.05 percent increase over the same period of last year," he said.

Harmoko said the country's imports during the first six months of this year rose 30.7 percent to \$19.28 billion over the corresponding period last year. "Indonesia, therefore, gained a trade surplus of \$1.89 billion in the January to June period," he explained.

According to the Central Bureau of Statistics, the trade surplus of \$1.89 billion in the January to June period was far lower than the trade surplus of \$3.65 billion in the first half of 1994 and \$4.59 billion in the first half of 1993.

Harmoko said the cabinet meeting, which was attended by Vice President Try Sutrisno, also reported a 0.32 percent increase in the country's inflation rate in August.

The increase in the August inflation rate was caused by a rise in food prices by an average of 0.07 percent, housing costs by 0.17 percent, clothing prices by 0.18 percent and the price of miscellaneous goods and services by 0.8 percent.

Inflation in August brought the country's cumulative inflation rate to 6.41 percent during the first eight months of this year.

"We hope we can maintain the slow growth of prices in the coming four months so we can keep the inflation rate below 10 percent this year," Harmoko said.

He said the money supply reached Rp [rupiah] 47.7 trillion (\$21.04 billion) as of the end of July.

The money supply was recorded at Rp 47.33 trillion as of the end of June and Rp 45.22 trillion as of the end of May.

The minister said the cabinet session also discussed extending collateral-free loans of up to Rp 50 million for small businesses.

"The state-owned Bank Rakyat Indonesia [People's Bank] and Bank Negara Indonesia [National Bank] will start providing the collateral-free loans this month," he said. "Other banks will follow suit next month."

He said about 19 million small businesses will be eligible for the loans.

Borrowers are not required to have collateral but must that their businesses has good prospects, he said.

Minister of Finance Mar'ie Muhammad said last month that to be eligible for the collateral-free loans small businesses must open savings accounts at the creditor banks.

Harmoko said that the 4.6 percent increase in the number of tourist arrivals in Indonesia was also discussed. Arrivals reached 1.96 million during the first seven months of this year bringing in revenues of \$2.34 billion.

Editorial Cautions Against 'Overheated' Economy

*BK1209130795 Jakarta BISNIS INDONESIA
in Indonesian 31 Aug 95 p 10*

[Editorial: "Beware of Overheating"]

[FBIS Translated Text] It has been predicted that Indonesia's economy will probably "overheat" this year. Inflation could be caused by the increase in imports and by positive reaction to the March 1995 [deregulation] package. Inflation occurs when imports increase while exports decrease, thus leading to the widening of the deficit in ongoing transactions.

Bank of Indonesia Governor Sudrajat Jiwandono has frequently warned of the prospect of the country's economy becoming overheated. The inflation rate in July was an indication; it was recorded at 6.09 percent, compared to a rate of 5.96 percent for the corresponding period last year.

The inflation rate for July 1995 was 0.71 percent. This was an increase from the rate in June, when the inflation rate was only 0.59 percent. This increase was due to food price increases. A high inflation rate was noted in the price of spices in particular. Inflation in food prices

also increased from minus 0.34 percent in June to 1.06 percent in July.

Could the inflation rate for August this year surpass the rate recorded in July of last year? This will only be learned at the cabinet meeting scheduled for 20 September. We can also only speculate that the inflation rate for August will not be higher than the rate for July.

The government has targeted to keep the inflation rate below two digits. This indicates that the inflation rate for the second half of this year should be further suppressed so that it will not exceed this target. It is difficult to undertake such a heavy task, despite the last-minute statements that the inflation rate has been successfully capped.

In an effort to prevent the economy from becoming overheated, Sudrajad Jiwandono reminded industrialists to constantly remain vigilant. The Bank of Indonesia governor did not specifically refer to anyone when he made the statement. He did not refer to any particular private industrialist or the state-owned agency involved in business activities.

Without taking any further steps, we hope that all parties concerned will be more vigilant. Such action is needed because the monetary apparatus is not solely responsible for suppressing the rising inflation rate. All parties involved should also contribute their efforts to counter a rising inflation rate. In other words, it simply means that all parties should be duly concerned about the increasing inflation rate.

Regarding this issue, we refer to a previous cement price increase that influenced the inflation rate. In this context, one can imagine how the officials concerned handled such a monetary issue nervously. They were required to suppress the inflation rate, but it continued to grow.

Precautions should be taken to prevent the economy from overheating. A logical explanation is that overheating is probably due to the introduction of deregulatory measures. More attractive investment opportunities were made available to the business sector with Indonesia's decision to relax numerous restrictions and conditions in various sectors. We are not, however, hoping for such a situation to prevail indefinitely.

The business sector needs to jointly plan and undertake their ventures so that the people will not become unduly anxious or exhausted but will remain confident that an effective method still exists to overcome the inflation problem.

Philippines

Security Tightened at U.S. Interests in Mindanao

BK1309101495 Manila MANILA STANDARD
in English 9 Sep 95 p 2

[Report by Rudy Saavedra]

[FBIS Transcribed Text] Zamboanga City — Police here have tightened security over all American and Caucasian residing or visiting Western Mindanao including U.S. interests or installations in the region, the most likely targets of the Muslim extremists.

Chief Supt. [Superintendent] Orville Gabuna, regional police director for Western Mindanao, directed all his unit commanders in the region "to sustain anti-terrorist campaigns" in their respective areas of jurisdiction to avert any terroristic actions against Westerners and/or their installations or other interests.

The alert is anchored on the possible conviction of the Sheikh Umar Abd Al-Rahman, who is facing trial in a U.S. Court for the bombing of the World Trade Center in New York City.

PNP [Philippine National Police] Director General Rearedo Sarmiento III in a directive to Gabuna said that U.S. citizens or American interests in the Philippines may become the targets of the terrorist group "considering that the government was instrumental in the arrest of Ramzi Ahmad Yusuf and Abdul Murab, said to be the co-conspirators of Al-Rahman, the blind Sheikh."

Janjalani hunt

The subject of police action is the Muslim extremist Abu Sayyaf group which is led by renegade Islamic teacher Abubakar Janjalani, the country's most wanted fugitive with a price tag of P [pesos] 1.5 million for his capture, dead or alive.

The military has circulated some 60,000 "wanted posters" of Janjalani throughout Mindanao island in a bid to capture the top Muslim extremists.

"Public awareness is a vital factor in our relentless drive to run after the Abu Sayyaf leader and its radical members," said Maj. Lino Horacio Lapinid, commander of the Armed Forces Civil Relations Group in Western Mindanao, the military unit responsible for the mass production and distribution of Janjalani's poster Mindanao-wide.

On the other hand, Marine Brig. Gen. Ponciano Millena, commander of the Marine Forces in Southern Philippines, admitted that Janjalani has remained extremely elusive although the bandit leader was monitored shuttling to Sulu and Basilan. He said the ongoing military operations against the extremists have already covered

the Muslim-dominated areas of Panamao, Maimbung, and Patikul in Sulu, where the Abu Sayyaf are reportedly maintaining strongholds.

Official Discusses Air Negotiations With U.S.

BK1309102395 Manila BUSINESS WORLD
in English 11 Sep 95 p 30

[Report by Larina G. Perez]

[FBIS Transcribed Text] The Philippine Government is not opposed to the idea of increasing the frequency of flights between points in the country and the United States in exchange for a deferment of the "open skies" policy contained in the two countries' air services agreement [ASA].

In a press conference, Transportation and Communication Secretary and concurrent RP [Republic of the Philippines] negotiating team head Jesus B. Garcia said, "we are not opposed to the increase in frequency. We just want to have reasonable guidelines."

BUSINESS WORLD earlier reported that American aviation authorities are amenable to the deferment of the open skies policy as long as their Filipino counterparts will agree to an increase in frequency.

Under an open skies scenario, carriers of both countries will have unlimited frequency rights to any of their gateways.

Mr. Garcia said the RP panel is "moving in the same direction we did before," and that is, to push for the deferment of the enforcement of the open skies policy for another seven years. He said the U.S. panel proposed to defer the policy's effectivity for only four years.

"The differences (between the RP and U.S. panel positions) are narrowing. The U.S. (panel) is not against the deferment. It's a question of when (the open skies will be implemented) and how many flights will be increased in the interim. Those are the two main issues which we will discuss starting September 12," Mr. Garcia said.

But he said the "cards on the table" may change in the course of the negotiations. "It's hard to anticipate the outcome (of the talks). New ideas may come in. The scenario can change very fast," he said.

Mr. Garcia said if both panels fail to reach an agreement during this fourth round of negotiations, "then we will get an extension in the next two to three months." He said although abrogation is a long way of considering both panels are moving closer to an agreement, it is "not out of the way."

The ASA inked in the early 1980s between the United States and the Philippines calls for the enforcement of the open skies policy in September 1996. Philippine Airlines (PAL), the country's flag carrier, has opposed the enforcement of the open skies policy, saying this will result in ruinous competition from American air carriers.

In a related development, Mr. Garcia said the government will urge private sector initiative to shell out money for the upgrading of airports to be affected by the phase out of PAL's Fokker 50 services.

PAL's board of directors approved a resolution authorizing management to pull out from unprofitable routes in an effort to trim its losses. PAL management said it will be withdrawing its F50 services on 42 domestic routes. Local destinations to be affected include: Zamboanga, Tagbilaran, General Santos, Tawi-Tawi, Busuanga, Basco, Pagadian, and Baguio. The airline has filed a petition with the Civil Aeronautics Board for the authority to carry out the resolution approved by its board.

Mr. Garcia said "we would have to consider private sector financing for these airports and that would not be easy." He said extending the runway for an airport to be able to accommodate larger aircraft costs around P [pesos] 300 million. He said there are at least 10 airports in the country which needs upgrading. Investments for these airports would amount to P3 billion.

He said instead of extending the runways of these airports, he suggested to airline companies to buy smaller aircraft with capabilities for short takeoff and landing. "It is easier to change aircraft than to extend the runways because (the latter) requires heavy investments," he said.

Officials View Withdrawal From IMF Program

*BK1309104495 Manila BUSINESS WORLD
in English 11 Sep 95 pp 1, 9*

[Report by Rosemarie V. Francisco]

[FBIS Transcribed Text] An early exit from an IMF-sponsored economic program is hinged on whether or not the government can immediately put in place structural reforms such as a comprehensive tax reform.

If Congress passes the proposed tax reform measure before the second program review with the IMF in March next year, then the government is in a better position to seek an early exit from the Fund, Bangko Sentral [Central Bank] Gov. Gabriel C. Singson told BUSINESS WORLD.

At the same time, Finance Secretary Roberto F. de Ocampo said an early exit from the Fund would "increase the perception of the international community that the Philippines is a major investment destination."

The Philippines has a three-year exit program with the Fund that runs until June 1997. The program is backed up by an Extended Fund Facility (EFF) which has a total amount of 474.5 million in special drawing rights (SDRs), an IMF-formulated artificial currency used only for assisting countries and not for trade purposes. The amount is equivalent to more than \$650 million.

The government just finished wrapping up with the IMF in Washington late last August the first review of the three-year program. The revised Memorandum of Economic and Financial Policies (MEFP), the document containing the policy commitments the country will follow for the rest of the program, is presently awaiting the approval of the IMF's board of directors.

Cutting off ties with the IMF means the country will have to chart its own growth path without any advice or financial help from the Fund.

Another senior Bangko Sentral official said the government "laid the groundwork" for an early exit from the Fund by not drawing on the second tranche of EFF funds worth some \$140 million.

To date, the government has drawn only some 36.5 million SDRs from the EFF. This was tapped right after the government signed a program with the Fund in June 1994.

But the Bangko Sentral official said "getting out of the Fund is easy. It is staying out that is difficult."

The official added it needs fiscal discipline to stay out of the Fund. Thus, Congress has to cooperate with the government such that the national government will be given enough leeway to maintain a fiscal surplus while spending for the country's infrastructure requirements.

"Congress should support the tax reform (measure) so that (the national government) could have enough revenues to support its infrastructure spending," the official said, adding "if Congress does not cooperate, an IMF exit is meaningless, even dangerous."

On the other hand, Mr. de Ocampo said the "objective of the (current IMF) program is to get out of it rather than continue in the intensive care."

He commented that while the government is positive on an ultimate exit from the IMF, "we are hoping for an early one."

During the talks with the IMF on the first program review, he said the Fund had a "positive view" of the Philippine economy.

"If we exit from the IMF, it will send a strong signal (to the international community). Together with the confluence of economic factors in Asia, the Philippines will become a major center of economic activity in the region," the Finance chief said.

He noted that "skittish investors" from some parts of Asia are expected to enter the country in the near term. While some Asian countries are liberalizing, such as Vietnam and China, their deregulation "is not in the same degree and vibrancy" as that in the Philippines.

Other traditional economic centers in Asia are either limited by their land size or are faced with political issues. "It's a physical fact that Taiwan is an island, it has to deal with constraints," Mr. de Ocampo said. On the other hand, Hong Kong is faced with the uncertainty of the turnover in 1997 while Singapore, the island state, is also constrained by its size.

The Finance chief also said legislation that will update existing investment-related laws must be introduced "to keep investments flowing in."

Thailand

Cabinet Approves Purchase of U.S. Tanks

BK1309055895 Bangkok THE NATION in English
13 Sep 95 p A3

[FBIS Transcribed Text] The Cabinet yesterday approved the purchase of 101 U.S. decommissioned tanks worth Bt1.77 billion and Defence Minister Chawalit Yongchaiyut promised the Navy two submarines.

The opposition immediately warned the public to keep a close watch on all weapons purchase projects, prompting the Army to threaten legal action against anyone who questions the purchase of the 101 M60 A3 battle tanks.

The Cabinet agreed to exempt the purchase from the counter-trade policy after the Defence Ministry explained that the United States government would not accept the trade practice, Government spokesman Somsak Pritsananthakun said.

A Cabinet resolution, made on May 6, 1992 and reconfirmed on June 6, required that any government purchase of more than Bt1 billion be made through countertrade.

Somsak said the Defence Ministry explained to yesterday's Cabinet meeting that the tanks' price was already discounted 67 per cent as the vehicles would be sold under the foreign military service project.

If Thailand wanted to make the purchase under the counter-trade deal, Washington would sell the tanks to Turkey instead, the Defence Ministry explained.

The purchase would be made with funds from four fiscal year budgets, starting retroactively with the 1995-96 allocation, Somsak said.

Cabinet Secretary-General Witsanu Khrua-ngam said the agreement to exempt the tanks' acquisition would not violate the May 6 Cabinet resolution because the Army had already tried negotiating for a counter-trade with the U.S..

"The negotiations simply failed. If we don't want the tanks, another country will buy them," Witsanu said.

The Army said the 101 tanks would replace most of those which have been in use for over 30 years and are beyond repair.

Prime Minister Banhan Sinlapa-acha said it would be too late for further negotiations with the U.S. to trade ink for the tanks.

"If we don't sign the order this month, they won't sell. Further negotiations cannot be made in time," Banhan said.

A Cabinet source said Deputy Prime Minister Thaksin Chinnawat questioned whether the purchase would be attacked if not carried out in accord with the countertrade policy.

The source said Thaksin feared the public would believe the high-value deal involved kickbacks.

But Justice Minister Chaloeam Yubamrung replied that kickbacks were not possible as the weapons would be sold from one government to another.

Army spokesman Lt Col [Lieutenant Colonel] Phalangkun Klahan said the Army would sue anyone who alleged there were irregularities in the purchase.

A Government House source said the Cabinet also approved Bt1.04 billion out of four fiscal year budgets starting this year, for the construction of the new Supreme Command headquarters on Chaeng Watthana Road.

During the recording of The Nation News Talk TV programme to be aired next Tuesday, Chawalit said the submarine purchase was necessary for the Navy.

The Chuan government rejected the Navy's request to acquire two light submarines to patrol Thai territorial waters.

Chawalit said the request was shot down by the last government because the Budget Bureau opposed the

Navy's plan to commit funds from seven fiscal years' budgets to the purchase.

The Democrat Party announced after its meeting yesterday that the Defence, Education and Interior ministries' purchasing projects would be closely watched by the opposition.

Banhan, Chawalit Comment

BK1209152295 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 12 Sep 95

[FBIS Translated Text] The Cabinet today approved the Army's purchase of 101 M-60 A3 tanks from the United States. Defense Minister General Chawalit Yongchaiyut said recently that, although the tanks in question are not new, their efficiency is nearly 100 percent, and they are one-tenth the original price.

[Begin Chawalit recording] It has to do with the United States giving us assistance. If we do not buy the tanks, they will be sold to other countries that are interested in them. We have been granted a special favor. Turkey and Taiwan wanted the tanks. They would take them if we did not. [end recording]

Meanwhile, Prime Minister Banhan Sinlapa-acha explained the approval for the Army to buy the tanks from the United States at a total cost of over 1 billion baht. He told reporters that countertrade requirements will be waived for the purchase. The payment will be made in installments through 1998.

[Begin recording] [Banhan] The tanks will be sold to us at the lowest price. The real price is tens of millions of baht per unit, but the price for us will be about 14 million baht. There was a condition that we had to purchase the tanks this month if we wanted to buy them. The defense minister explained that the Army has a real need for the tanks. The Budget Bureau took two months to study this matter thoroughly before it was submitted to the cabinet meeting.

[Unidentified correspondent] Is the exception being made because this is a state-to-state purchase?

[Banhan] The issue is that we are buying at a special price, so the countertrade requirement is waived. The requirement can be waived in cases where it cannot be met. Considering the countertrade requirement would have required more negotiations, which would not have met the purchase deadline. [end recording]

Customs Says GATT Valuation System 'Fairer'

BK1309054195 Bangkok BANGKOK POST in English 13 Sep 95 p 26

[FBIS Transcribed Text] Implementing the GATT valuation system will result in a fairer and more convenient system for both the public and private sectors, and will boost international trade in the long run.

This is the view of Customs Department Director-General Suphachai Phisitwanit.

The new system agreed under the General Agreement on Tariffs and Trade will be easier for both the Customs Department and importers than the present system, Mr Suphachai said yesterday.

He was speaking at a seminar on the implications for Thai importers of using the new GATT valuation system as well as changes to be implemented in customs procedures.

Thailand is obliged under the GATT agreement to implement the new system by 1999.

Mr Suphachai said it is possible to implement the changes within two years, depending on the results of consultations with other ASEAN nations.

Indonesia has said it plans to implement the programme by late 1997.

The current system penalises importers to a certain extent, in that the Customs Department does not determine tariff rates on the import price but on a so-called base price.

This base price is established by determining the prices of similar goods imported in the past three months with the highest price used as the base for determining tariffs.

"If an importer buys an item at \$8, but the base price is \$10, then that item is taxed at \$10," Mr Suphachai said.

Importers can appeal the tariff rate to the Customs Department, but the procedures take time and effort, which is inefficient from a business perspective.

Under GATT, the invoice price is used to determine the tariff rate. Mr Suphachai said this is fairer in determining tariffs, as the GATT system uses prices which are more in line with the product's market value.

Regarding recent proposals to increase tariffs for environmentally damaging products and to cut tariffs for environment-friendly products, Mr Suphachai said further consultation is needed.

Karen Troops Cross Border, Rob Local Official

*BK1309045495 Bangkok BANGKOK POST
in English 13 Sep 95 p 6*

[FBIS Transcribed Text] Heavily-armed troops of the Democratic Karen Buddhist Army [DKBA] crossed the border yesterday and robbed a local official.

They made off with a shotgun belonging to local authorities, 27,000 baht in cash, and valuables worth about 5,000 baht, a border source said.

There were 24 of them, armed with M-16 and AK-47 assault rifles and RPG rocket launchers.

They intruded into Ban Mae Usu, Tambon Mae Tan at about 1 a.m., robbing Bunphing Klinhom, 46, assistant village headman.

Before returning to Burma along the Moei River, they took as hostages Mr. Bunphing and a Karen villager identified as Kyaw Aye San.

Mr. Bunphing was freed unharmed at the border. Mr. Kyaw Aye San was released in the evening shortly after the robbers reached their base in Burma.

The incident prompted Phanlop Sripha, a Tha Song Yang district officer, to dispatch defence volunteers to the village.

Mr. Phanlop has reported the incident to the Tak governor, to the commander of the 34th Task Force and to the Interior Ministry.

He said the DKBA members intruded into Thailand to arrest Maung Kyaw, an ex-DKBA member, who had earlier fled to a Thai village near Ban Mae Usu where the robbery took place.

The deputy superintendent of Tha Song Yang, Anan Sangthong, has ordered a police team to patrol border villages.

The intrusion of DKBA soldiers indicates that they intentionally violated Thai sovereignty, Pol Lt-Col [Police Lieutenant Colonel] Anan said.

He pointed out that, in robbing an official and seizing an official weapon, they broke the law.

The DKBA leader in Burma has been contacted to hand over the seized weapon to Thai authorities, Pol Lt-Col Anan said.

Thai authorities await a reply from the DKBA.

"Such intrusions are terrifying for Thai villagers at the border," Pol Lt-Col Anan said.

He is to propose that the commander of Task Force 34, in his capacity as chairman of the local Thai-Burmese

Border Committee, lodge a protest with Burmese authorities since the intruders were Burmese nationals.

Report Discusses Foreign Ministry Reshuffle

*BK1309051195 Bangkok THE NATION in English
13 Sep 95 p A7*

[Report by Marisa Chimprapha and Kunlachada Chaiphiphat]

[FBIS Transcribed Text] The Foreign Ministry's annual reshuffle of its senior officials this year could be said to have produced "a dream team" for the first time in its attempt to take a more active role in the fast-changing economic and political world.

The Cabinet yesterday approved the transfer list for senior Foreign Ministry officials which a well-placed source said would leave Foreign Minister Kasemsamson Kasemsi backed up by a highly qualified team.

Two vacancies for the positions of deputy permanent secretaries are to be filled by Director General for American Affairs, Sarasin Wiraphon, and Thai Ambassador to Phnom Penh, Sakthip Krairoek, the source said.

Sarasin is currently Kasemsamson's adviser on security issues and has played a crucial role in the preparation for the upcoming Fifth ASEAN Summit in Thailand this December.

Sarasin is to be replaced by the ambassador to Malaysia, Suraphong Posayanon, or the Ambassador to Netherland Aphinan na Ranong.

Ministry spokesman Suwit Simasakun will become director general for the East Asian Affairs Department and in turn be replaced by Portuguese Ambassador Suraphong Chainam.

Director General for East Asian Affairs Department Sombun Sa-ngiambut, who specializes in international law, will become director general for treaty and legal affairs.

Sakthip's position in Phnom Penh will go to the former Consul General in Osaka, Domdet Bunnak.

Four other top positions of the Economic Affairs Department, the ASEAN Affairs Department, the Department of South Asia, Africa and the Middle East, and the Department of European Affairs are to remain the same.

All the new appointees to head key departments are not only Kasemsamson's previous subordinates while he was the Foreign Ministry's permanent secretary, but also the "right mix of expertise", the source said.

The reshuffle, however, has come at a time when Kasemsamoson's political status is on shaky ground. He is reportedly being pressured by a faction within the Nam Thai Party to quit the position because of his election failure.

A Foreign Ministry official told *The Nation* that Kasemsamoson's ouster would be disastrous.

Foreign Ministry officials have repeatedly said in the past that, as professionals, they could work with any politician who attained the portfolio.

But this attitude changed after the ministry suffered one of its worst periods in its history — having eight ministers in eight years since former Foreign Minister Sitthi Sawetsila resigned in 1989 after more than 10 years in office.

The lack of continuous leadership and frequent nepotism has triggered factionalism among the high-ranking officials.

Kasemsamoson's arrival was seen as a breath of fresh air because of his diplomatic acumen, experience and the "team spirit" which have earned him respect.

While Kasemsamoson has all the characteristics needed for a high-flying diplomat, his political status is a different story.

Kasemsamoson tried to project the Ministry's image as a coordinator among intergovernment agencies on foreign policy and international economic relations, as seen in a hoped-for solving of Thai-Burmese problems, but according to the pundits, Kasemsamoson has scored low marks politically.

"It is a difficult job to be both a good foreign minister and a good politician," he said.

"I am in the same position as former Foreign Minister Thaksin Chinnawat," he said at a press conference on Monday. Thaksin was forced to resign the portfolio because of doubts over his qualification for a Cabinet position and his non-MP status.

Kasemsamoson retired as Foreign Ministry's permanent secretary in 1991 and later joined the interim government of former Premier Anan Panyarachun as a minister attached to the Prime Minister's Office.

Dailies View French Nuclear Test, Reaction

BK1209125395

[FBIS Editorial Report] Bangkok KRUNGTHEP THURAKIT in Thai and Bangkok MATICHON in Thai on 12 September publish editorials on the French nuclear arms test at Mururoa atoll.

Bangkok KRUNGTHEP THURAKIT in Thai on 12 September on page 2 carries a 400-word editorial entitled: "Nuclear Weapons and the Thai Government." It says that while protest against the French nuclear test has erupted in many parts of the world, "the Thai Government, whose leader has been trying to show his credentials to the world, has demonstrated little action. This is especially true about the Foreign Ministry, the role of which should be to inform the world of the Thai people's and Thai government's position.

"We disagree with Foreign Minister M.R. Kasemsamoson Kasemsi, who believes it is not necessary for Thailand to reemphasize its position, since it already joined other ASEAN countries in expressing disagreement with the French test at ASEAN's meeting. He noted that the countries in the vicinity of the test site have already staged their protests. This nonchalant position is tantamount to a demonstration of Thailand's frailty. Thailand dare not reveal its position firmly on an issue that has aroused people throughout the world."

The editorial concludes: "We believe a large number of Thai people are as unhappy with the French nuclear test as the French people are. A survey taken after the test shows that 60 percent of French respondents felt that their government's decision to carry out the test against the feelings of the people in the world was wrong. We think Prime Minister Banhan Sinlapa-acha and several cabinet ministers lack the vision to see the significance and impact of the French nuclear weapon test on the world and on Thailand."

Bangkok MATICHON in Thai on 12 September on page 2 carries a 500-word editorial entitled: "Antinuclear Demonstration." The editorial says the French Government lacks the sensitivity to see the significance of the violent demonstration by Tahitians in Papeete. "It was a demonstration of their stress over the rule and conduct of the French Government and politicians. It shows that Polynesians can no longer tolerate the French Government's disregard of their feelings, their land, and environment."

The editorial concludes that in an era following the end of Cold War and superpower disputes, the world should not be provoked into the development of more lethal nuclear arms. "The French president apparently belongs to the past era. He should recognize that the world deserves care and should be protected from destruction. Destruction by nuclear arms is the most fearful form of destruction; therefore, it is mandatory to oppose nuclear arms tests."

Minister Unveils Confidence-Bolstering Measures

*BK1309054295 Bangkok THE NATION in English
13 Sep 95 p B1*

[FBIS Transcribed Text] After calling an urgent meeting with the top policy makers of the Bank of Thailand, the Securities and Exchange Commission [SEC] and the Stock Exchange of Thailand, Finance Minister Dr Surakiat Sathianthai yesterday announced a package of 12 measures aimed at strengthening the financial system and injecting investor confidence into the sagging stock market.

The first measure was the announcement that the terms of reference (ToR) for the establishment of new commercial banks, the upgrading of offshore banks under the Bangkok International Banking Facility (BIBF) into full foreign bank branches, the opening of second-round BIBF banks, and the broadening of the scope of operations for finance companies will be made soon.

He said the Juridical Council is making a legal interpretation as to whether the terms of reference for the setting up of new commercial banks, as set forth by his predecessor, Tharin Nimmanhemmin, can be revised. But he added that the ToR, which lay out the guidelines for the creation of another five commercial banks, are not expected to be changed.

Over the next two weeks, the Bank of Thailand will complete its ToR for the upgrading of BIBF banks into full foreign bank branches, according to Surakiat. In line with Thailand's obligations to further open up its financial services sector, some five to seven foreign bank branches will be given out. The priority will be given to foreign banks which are already operating offshore banking in Thailand.

After giving out BIBF licences to 24 new foreign financial institutions during the Chuan Administration, Surakiat said the government, as a third measure, will soon allow the foreign banks to apply for the BIBF licences in the second round. He did not specify a timeframe or the number of new BIBF banks that will be admitted into the Thai financial system.

Surakiat said the finance companies will be allowed to broaden their financial services to compete against the local and foreign banks amid the further liberalization of the financial services. Under the Financial System Masterplan, the finance companies will soon be allowed to undertake the foreign exchange business and strengthen their networks. In the following step, they will also be permitted to move into offshore banking and take deposits directly from the public, thereby narrowing the gap between them and the commercial banks.

Other measures included: Finance companies and securities companies, which are operating with handicaps without full licences, will be allowed to apply with the Finance Ministry, commercial banks and insurance companies will be permitted to manage providence funds; the Juridical Council is also looking at the legal interpretation in the setting up of new securities companies; the lending offices of all the finance companies will be upgraded to full branches; cross shareholdership between commercial banks, finance companies and securities will be permitted, an urgent move to set up the Thai Trust Funds to allow foreign investors to invest more in Thai equities without facing foreign ownership limits and finally the setting up of central providence funds, which should be finalized within next week.

These measures are not new and are already in the pipeline of the development of the financial system, but the way they were put together in a package yesterday reflected Surakiat's attempt to bolster investor confidence in the Thai economy and the stock market. He made the announcement after meeting with Wichit Suphinit, the central bank governor; Ekkamon Khirawat, the secretary general of the SEC, and Seri Chintanaseri, the president of the Stock Exchange of Thailand.

Over the past two months, the stock market has fallen almost 200 points from 1486 to 1289.43, largely due to dollar-yen fluctuations, concern over inflationary pressure and a perceived lack of confidence in the Banhan government. There is growing pressure for the government to come up with a specific platform or measures to provide investors with a sense of direction for the Thai economy.

Both Ekkamon and Seri Chintanaseri reaffirmed that the authorities will not step in to intervene in the trading of the stock market, saying that would distort market forces.

Board Members Resign in Row at Power Authority

*BK1309095095 Bangkok BANGKOK POST
in English 12 Sep 95 pp 1, 7*

[FBIS Transcribed Text] The Government drew up a new Electricity Generating Authority of Thailand [EGAT] board yesterday after seven members resigned in an apparent effort to defuse the row with the power workers.

A new 11-man panel was revealed after talks at Government House between Sombun Maninawa EGAT's general manager Rakkiat Sukthana, the PM's [Prime Minister's] Office Minister, and Det Bunlong, the Cabinet Secretary General.

The new panel, which includes Mr Sombun, is chaired by Siwawong Changkasiri, the Industry permanent secretary.

Other members are Pricha Atthawiphat, the Mineral Resources Department director general; Sumet Tantiwetchakun, the National Social and Economic Development Board secretary-general; Gen Maitri Tantemsap, the Council of State secretary-general; Prakit Chirawanit, director-general of the Science Ministry's Pollution Control Department; Likhit Thoetsathirasak, the PM's Office permanent secretary; Parinya Nakchatri, the Land Department director general; Banleng Soranin, Rector of King Mongkut's Institute of Technology, North Bangkok; Suchat Chaowisit, Finance deputy permanent secretary, and Pricha Chungwatthana, EGAT's deputy governor.

The list was to have been put to the Cabinet for approval today but Banhan Sinlapa-acha the Prime Minister, said he was unsure it could get on the agenda in time.

Although the new board was welcomed by Mr Sombun, the return of Mr Banleng was said to have prompted EGAT employees to complain about political influence.

The appointment of Mr Banleng was inappropriate, they said, because he is a close friend of Montri Phongphanit, the Agriculture and Cooperatives Minister, and is not qualified.

But Mr Sombun said Mr Banleng alone lacked the power to manipulate the board, and that Mr Rakkiat had requested his inclusion in the line-up.

Thammayut Suthiwicha, president of the EGAT Employees' Association, which has demanded a say in the selection, was said to have been infuriated by Mr Sombun's defence of Mr Banleng.

The association said it would give Mr Rakkiat a chance to choose between two leading academics who are advocates of the labour sector: Dr Lae Dilokwitthayarat, a Chulalongkorn University economics lecturer, or Mr Somyot Chuathai, a law expert at Thammasat University.

Either could have helped monitor the work of the board, said Mr Thammayut, who was reasonably satisfied the association had succeeded in drumming out the previous board. EGAT employees had threatened to stage a protest if the Government did not sack the board approved by the Cabinet last week.

Power workers have accused the Government of exerting political influence over the selection of former members and challenged the credentials of the old board.

The conflict between the Government and EGAT had earlier led to the resignation of seven members, includ-

ing Mr Sombun, Somchai Chunlacharit, the former State Railway of Thailand governor, Phiset Loetwilai of Siam Occidental Petrochemical Co; Banlu Chanthadisai, a director of Asia Credit Co; Gen Udom Phophi, Army adviser; and Mr Banleng.

The first to tender his resignation was Chirayu Itsarangkun na Ayutthaya, the Crown Property Bureau director.

Mr Piset's appointment was said to have been justified by his close connection with Mr Banhan.

Siam Occidental Petrochemical Co, of which he is a director, is owned by the Prime Minister.

Mr Rakkiat said the seven quit out of frustration born of unfair criticism in the media and from EGAT.

They left to preserve their image and dignity.

Mr Rakkiat, meanwhile hinted he may consider giving up his responsibility for EGAT once the wrangle is settled. Certain elements were trying to challenge the legitimacy of his post in the PM's Office, he said.

"It struck me that whatever I did was bound to be a mistake. When I have straightened out the EGAT problem, I will think seriously about whether I can carry on overseeing EGAT," said Mr Rakkiat.

The SAP [Social Action Party] MP and Mr Montri, the party leader, met Mr Banhan yesterday to discuss the EGAT fiasco.

Commenting on the line-up, the Cabinet secretary said the power workers should be happy since no politician had been appointed to board.

It is probable the new board could be tabled for Cabinet approval today, said Mr Det.

He conceded, however, that the new board included Mr Maitri, who was appointed to the board during the Chuan Likphai government.

Mr Det rejected the power workers' call to invite Anan Panyarachun, the former prime minister, to sit as the board chairman, saying Mr Rakkiat had the authority to make the selection.

Mr Banhan said the employees could not "ask for more" now the uncertainty had been cleared up. EGAT, he said, must accept the changes because it was under the Government.

Meanwhile, a source at the Procurement Department said some EGAT employees were concerned the new board would uncover a legacy of graft. Many former board executives accepted kickbacks from large-scale projects, the source said. [Bangkok MATICHON in

Thai on 12 Sep 95 on page 10 adds: "According to a report by a reporter at Sirirat Hospital, at 1800 on 11 September Sombun Maninawa, governor of the Electricity Generating Authority of Thailand, paid a visit to the king that lasted about 30 minutes. At about 1930 Prime Minister Banhan Sinlapa-acha called on the king for about 20 minutes."]

Vietnam

Import Tariff Reduction for AFTA Considered

BK1309111795 Hanoi THOI BAO TAI CHINH
in Vietnamese 10 Aug 95 p 3

[Report by P.V.: "Expected Reduction of Import Duty for AFTA"]

[FBIS Translated Text] ASEAN Free Trade Area (AFTA) is an agreement on regional trade among ASEAN member countries, under which import tariffs will be reduced to a minimum, and all noncustoms barriers will be removed. To make AFTA a success, ASEAN economics ministers signed a Program on Common Effective Preferential Tariffs (CEPT) as the main instrument for implementing AFTA. Under this program, member countries will reduce import tariffs to 0-5 percent within 10 years, and will abolish all quantitative limitations, as well as all other noncustoms barriers. In joining ASEAN, Vietnam must also participate in the program in conformance with the fundamental principles of the CEPT agreement, which also takes Vietnam's characteristics into account. At present, the Ministry of Finance and all functional branches in Vietnam are preparing lists of items and a tax reduction timetable to be submitted to the government for approval. An outline of the proposals follows:

1. List of complete exclusion:

In conformance with the provisions of Article 9 of the CEPT agreement and the current provisions on Vietnam's banned imported products, the list of complete exclusion will include all items related to national security and items endangering the health and life of humans, animals, or vegetation or affecting cultural, historical, artistic, and archeological values. These include all weapons and military hardware, used goods, toxic pharmaceuticals and chemicals, cigarettes and cigars, antiques, less than five-seater motor vehicles, and such strategic products as oil (except for crude oil currently exported by Vietnam)

2. List of temporary exclusion:

Items necessary for the protection of domestic production in the future, and the bulk of items having import tariffs higher than 20 percent that must be maintained as a source of revenue for the state budget should be in-

cluded on this list. This list will also include such items as iron, steel, machine tools, textile products, various kinds of engines, civilian electronic equipment.

3. List of goods liable for tax reduction:

All items not on the above-mentioned lists will be included on a list of items qualified for tax reduction. To ensure revenues and partially assist domestic production, implementation of the initial actual reduction will only begin in 1998. Between 1996 and 1998, we will not reduce taxes because the bulk of the items on this list have enjoyed a 5 percent downward tariff (that is, have met the target of CEPT). During this period, along with the implementation of stage II of the tax reform program, the Ministry of Finance is expected to submit to the government a proposal to gradually raise all under-five-percent tax rates to five percent to increase revenues without infringing on the provisions of the CEPT agreement.

Chinese Leaders Receive Vice President

BK0909091095 Hanoi VNA in English
0720 GMT 9 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept. 9—Vice State President Nguyen Thi Binh, honorary head of the Vietnamese state delegation and special guest of the Chinese Government, was received by some Chinese leaders while attending the Fourth World Conference on Women in Beijing (Sept. 4-15).

On the afternoon of September 5, Vice President Binh was received by General Secretary of the Communist Party of China and State President Mr. Jiang Zemin.

On Sept. 6-7, Mrs. Binh was feted by Chinese former Deputy Prime Minister and Foreign Minister Mr. Huang Hua and former Deputy Foreign Minister Mr. Han Nianlong.

While in Beijing, the vice president met with Mrs. Chen Muhua, vice chairwoman of the Chinese National Assembly and president of the Chinese Women's Union who is also chairwoman of the World Conference on Women and heads of the state women delegations of Laos, Cambodia, and Cuba. She also made a tour of Nanjing and Guangzhou.

Another Vietnamese women delegation headed by Mrs. Vuong Thi Hanh, vice president of the Vietnamese Women's Union, attended a NGO [Nongovernmental Organization] forum held on August 30 and Sept. 8 in Beijing aimed at making a recommendations to the World Conference on Women.

During the forum, the Vietnamese delegation, together with other delegations, discussed issues relating to

women of common concern including the eradication of hunger and reduction of poverty, female children, credits for women, employment, health care, education, family planning, women's role in leading work, equality and so on. The delegation also held a seminar on Vietnamese women, 'Vietnam's Days', and met with delegations of other countries and international organizations.

Vice President Tours Chinese Provinces

*BK1209152095 Hanoi VNA in English
1439 GMT 12 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept. 12—Vice State President Nguyen Thi Binh, from Sept. 7-12 toured the provinces of Jiangsi and Guangdong of China wherein she has been from Sept. 4 for the UN-sponsored Conference on Women.

The Vietnamese leader was informed by the deputy mayors of the situation in their respective provinces and expressed their pleasure at the fine development of the friendly and cooperative ties between the two countries and their wish to promote the cooperation between their localities in Vietnam.

Vice State President Binh said that she was glad to see the multi-faceted achievements recorded by the Chinese people in their open-door renovation process and affirmed Vietnam's wish to increase its neighbourly friendship and cooperation with China.

Ms. Binh called at the former office of the Vietnam Revolutionary Youth League in Guangdong, the place where President Ho Chi Minh trained the first batch of Vietnamese Revolutionary Youth. She also paid tribute to Pham Hong Thai, a Vietnamese youth who laid down his life for the Vietnamese revolutionary cause during its very first stage.

Before leaving Guangdong for home this afternoon, Vice President Binh tours a number of economic, cultural and educational establishments in Nanjing and Guangdong.

Vo Van Kiet Holds Talks With Cambodian Minister

*BK1209154895 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 9 Sep 95*

[FBIS Translated Text] Prime Minister Vo Van Kiet cordially received Comrade Ing Huot, Cambodian foreign minister and cochairman of the Vietnam-Cambodia Joint Commission for Economic, Scientific, and Technological Cooperation, at his office in Hanoi on 9 September. Ing Huot is currently on a visit to Vietnam to attend the first meeting of the commission.

Foreign Minister Ing Huot solemnly conveyed Cambodian First Prime Minister Ranariddh's kind regards to Prime Minister Vo Van Kiet and extended his best wishes to the Vietnamese people in celebrating the 50th anniversary of the August Revolution and National Day.

Prime Minister Vo Van Kiet highly appraised the results of the first meeting of the commission, considering it an important factor in the promotion of friendship and cooperation between the two nations in the days ahead. The prime minister said that the time-honored relations of friendship and cooperation between Vietnam and Cambodia are developing remarkably and that issues of mutual concern to both sides have been gradually resolved. He asserted Vietnam's efforts to consistently consolidate friendship and expand cooperation with Cambodia for the prosperity of each nation and for peace, stability, and development in the region.

South Korea Grants Aid for Stock Market Project

*BK1209160395 Hanoi VNA in English
1549 GMT 12 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept. 12—The Republic of Korea is to provide Vietnam a non-refund aid of one million US dollars to carry out a project on a stock market in Vietnam.

The ROK Government's decision was revealed by Vice Minister Hyong Ho Shin of finance and economy [name and title as received] who was received here today by general secretary of the party Central Committee.

The party leader expressed his thanks to the ROK Government and the stock transaction service for having shared experience and provided training in preparation for the opening of a stock market in Vietnam.

Mr. Muoi hailed the cooperative programmes on finance between the two countries and expressed belief that the ROK experience would contribute to the renovation in finance as well as economic management of Vietnam.

The ROK stock transaction service is helping run two training courses on stock market in Hanoi and Ho Chi Minh City.

Assembly Chairman Holds Talks in Indonesia

*BK1209161595 Hanoi VNA in English
1549 GMT 12 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept. 12—National Assembly Chairman Nong Duc Manh, who is currently on a week long visit to Indonesia, had a working session with Chairman H. Wahono and vice chairmen of the Indonesian People's Consultative Assembly in Jakarta today.

During the meeting, Chairman H. Wahono spoke of the traditional friendship between the two countries which over the past time, always supported and assisted each other for their mutual interest of friendship, cooperation, and trust to make their own country prosperous and happy in line with the aspiration of the peoples of Indonesia and Vietnam as well as of all others in Southeast Asia so as to contribute to peace, stability and development in this region.

Chairman Manh said that Vietnam and Indonesia have long been bound by the time-honoured friendship and cooperation which have been constantly developing. He wished the Indonesian people even greater achievements in their national construction.

The Vietnamese NA chairman attributed Vietnam's achievements in its renovation process in recent years to the efforts by the Vietnamese people and state and to the assistance from fraternal and friendly countries, including Indonesia. He expressed his gratitude to the Indonesian People's Consultative Assembly, Government and people for their precious assistance to the Vietnamese people in the past arduous struggle for national liberation as well as in the present national construction and defence.

On this occasion Chairman Manh invited his Indonesian counterpart H. Wahono to visit Vietnam.

The Vietnamese parliamentary delegation exchanged views with a delegation of the Indonesian Inter-Parliamentary Cooperation Commission led by its President T.L. Sambuga, who hailed the Vietnamese National Assembly's becoming full membership of the AIPO [ASEAN Inter-Parliamentary Organization] in the near future. The two sides informed each other of the socio-economic development in their respective countries and discussed issues of common concern and measures to further strengthen and develop their bilateral cooperation.

In the morning, the delegation met with Indonesian Foreign Minister Ali Alatas, who congratulated Vietnam on its joining ASEAN last July.

In the afternoon, the delegation toured a park considered a panorama of Indonesia and watched a film on the Indonesian people's national construction and development.

National Assembly Delegation Visits Hungary

*BK0809152795 Hanoi VNA in English
1511 GMT 8 Sep 95*

[FBIS Transcribed Text] Hanoi VNA Sept. 8 — A delegation of the Vietnamese National Assembly led by

its vice chairman Phung Van Tuu has paid an official visit to Hungary.

While there, the delegation was received on Sept. 6 by Gol Zoltan, president of the Hungarian National Assembly who praised the great achievements obtained by the Vietnamese people in the renovation process and affirmed that the friendly and cooperative ties between the two countries would be further strengthened in the new period. He also informed the Vietnamese guests of the achievement recorded by the Hungarian people in recent years.

The Vietnamese delegation held talks with a delegation of the Hungarian National Assembly headed by Mr. K. Maria, vice president. The talks took place in an atmosphere of friendship and mutual understanding.

Do Muoi Addresses Tan Trao Meeting

*BK0809141795 Hanoi NHAN DAN in Vietnamese
17 Aug 95 pp 1,2*

["Text" of speech by party General Secretary Do Muoi at a grand meeting in Tan Trao, Tuyen Quang Province, on 16 August]

[FBIS Translated Text] Dear comrade leaders of the party, state, and the Vietnam Fatherland Front, dear comrades and compatriots: on behalf of the Communist Party of Vietnam [CPV] Central Committee, I am very pleased to attend this solemn meeting here in this historic land to mark the 50th anniversary of the opening of the Tan Trao national congress. This is an opportunity for me, together with you, comrades and compatriots, to recall the seething revolutionary impetus of our nation in the pre-uprising period.

For more than half a century now, Tan Trao-Tuyen Quang has become a dear and sacred name because it has been closely associated with the history of the revolutionary undertaking and national liberation struggle of our country and because it led to the August 1945 general uprising to wrest back power countrywide.

In marking the anniversary of the Tan Trao national congress, we always think of Pac Bo-Cao Bang, where venerated Uncle Ho chose to return to the Fatherland after 30 years of setting out in search for the path to national salvation to personally direct the revolutionary movement, effect a strategy change, and set forth the key tasks for our entire party and people to carry out, namely, making preparations for the uprising, forming the Viet Minh Front, training cadres, building the armed forces, and setting up war zones to create the springboards for the nationwide general uprising.

In early May 1945, Uncle Ho left Cao Bang for Tuyen Quang to direct the establishment of a vast revolutionary

base, using Tuyen Quang as the capital of the liberated zone, building the administration and the revolutionary army, opening the Politico-Military School, setting up the National Salvation Cultural Center.... Delegates to the national party congress held in Tan Trao from 13-15 August 1945 mobilized the wisdom of the entire party, thoroughly analyzed the national and international situations, decided to grasp the opportunity, guided the entire people in the uprising to wrest back power, and elected the National Uprising Committee to direct this important task.

The national congress opened in Tan Trao on 16 August 1945 immediately after the national party congress. More than 60 delegates from North, Central, and South Vietnam and representatives of overseas Vietnamese nationals, patriotic parties, notables, intellectuals, mass societies, ethnic groups, and religious organizations attended the congress. The congress warmly welcomed the CPV's general uprising initiative and the Viet Minh Front's 10-point policy and decided to set up the Vietnam National Liberation Committee or the Provisional Government led by comrade Ho Chi Minh. Next, Uncle Ho made an appeal calling on compatriots, national salvation organizations, cadres, and combatants countrywide to arise and wrest back power. The appeal said: "The time has come for our nation to decide on its fate. Let our compatriots countrywide arise and use our own strength to liberate ourselves. It seems that as we are enthusiastically commemorating the 50th anniversary of the August Revolution and 2 September National Day, we still hear the echo of His call for our entire people to arise and smash the shackles of slavery.

The Tan Trao national congress was a second Dien Hong-typed congress in the history of our nation because it reflected our compatriots' profound confidence in the party, front, and President Ho Chi Minh and the unanimity of mind and action of our entire people at a time when the fate of our nation had entered a decisive stage. Under the party's leadership, more than 20 million compatriots countrywide warmly responded to the national salvation call from Tan Trao, unanimously staged the general uprising, scored resounding victories, established the people's administration, and opened a new era for the nation, the era of national independence and socialism.

The National Party Congress and the Tan Trao Congress in August 1945 were the exceptional events that will forever remain in the glorious history of the Vietnamese nation. The lessons drawn from Tan Trao and the August Revolution have an everlasting value that help illuminate the advance of our present and future generations toward a brilliant future.

Dear countrymen and comrades, undergoing half a century of consistent struggle since the 1945 August Revolution in response to the call of the party and President Ho Chi Minh, our people have made great sacrifices, overcome numerous difficulties, and have resolutely and firmly maintained national independence while striving to rebuild the beloved fatherland.

Our people's firm impetus and earnest aspiration to struggle for national independence and freedom have helped them to overcome innumerable difficulties and promptly seize opportunities to fulfill their mission. This is the spirit of the Tan Trao National Congress. Today, our nation has regained independence and unification and the administrative power has returned to the people. However, we still have to undergo a protracted and arduous struggle to advance toward socialism to bring happiness and a bountiful life to our people. When Uncle Ho visited Tan Trao 34 years ago, he stressed: "Socialism means a happy life for all of us and a bright, better future for our children."

In the current renovation undertaking, our party, state, and people are determined to seize all opportunities and exploit all potential to overcome numerous dangers while expanding relations with friends the world over to gain foreign resources. This is a very important task. However, we must profoundly realize that if we want to attain success in the renovation undertaking and in national industrialization and modernization, we must mobilize the internal resources from all Vietnamese compatriots, people's strata, religious and ethnic groups, and Vietnamese abroad to create the all-people combined strength to achieve our goal. This is exactly what Uncle Ho taught us more than half a century ago: to "use our own strength to liberate our country."

Uncle Ho's guiding thought for the Tan Trao National Congress as well as his activities throughout his revolutionary life provided us with a valuable legacy that has become a significant part and parcel of the Ho Chi Minh Thought, particularly the renowned expression of "Unity, unity, great unity. Victory, victory, great victory. The Ho Chi Minh Thought also teaches us to "take the people as the base," or "consider the people as the base of the nation." It teaches us to "use the great cause to win over cruelty and to apply humanity in stead of violence. These also are our party's orientations for strengthening the great unity of our people, for eliminating prejudice and hatred, for advancing toward the future using the great cause to integrate ideas and resources from all people to rebuild the nation and to triumphantly implement the renovation undertaking.

While paying attention to expanding and strengthening the all-people great unity, Uncle Ho consistently made

great efforts to build the party, considering this the key task leading to all victories of the revolution. During his visit to Tuyen Quang Province, Uncle Ho reminded us: "Our party is the leading party. It means that all cadres from the central to the grassroots levels and at various echelons and sectors must be the faithful servants to our people. All cadres must wholeheartedly serve the people, pay attention to improving their daily life, and seriously implement the policies of the party and the lines of the masses." Today, when we recall Uncle Ho's words, we feel that we still live by his side to hear his teachings and his thoughtful reminders. Our party is the ruling party, which takes full responsibility for society. The party must formulate correct lines and policies, strive to renovate and revamp its organization, and improve its activities to become pure and firm so as to enhance its capabilities to carry out the revolutionary tasks in the current stage. The party must strengthen internal unity and overcome all negative phenomena, especially bureaucratism, waste, and embezzlement while striving to enhance close relations with the people, wholeheartedly serve them, and lead them and work with them to strive to record ever greater achievements.

Dear compatriots and comrades, I am very moved to learn that Uncle Ho chose dozens of places here to set up headquarters to direct the general uprising and the first war of resistance, and that more than 30 villages served as the bases of central agencies. You and your jungles here in Tuyen Quang once provided protection for leaders and key agencies of the party, state, the front, and army in those days full of difficulties and challenges when the revolution was still in its infancy. On behalf of the party and state, I would like to express my profound gratitude to you, comrades and compatriots, and to grassroots establishments that wholeheartedly rendered services to the revolution and made important contributions to the great victories of our people more than half a century ago.

As I am back here in Tuyen Quang again today, I am very pleased to note that your province is moving along the same development path followed by the nation as a whole. Progress is being made on the political, economic, cultural, and social fronts. National defense and security are consolidated. Political stability is firmly maintained. The living conditions of the vast majority of the people are gradually being improved. Compatriots of different ethnic groups are bound together by mutual love and assistance, enthusiastically respond to party and state lines and policies, and wholeheartedly contribute to national construction.

Nonetheless, we are fully aware of the fact that our country is still poor and backward and that Tuyen

Quang is still listed among the poor provinces. We still need to make more efforts to ensure a better future. Party organizations and administrative organs must show compatriots of different ethnic groups how to satisfactorily implement party policies and lines and state laws. Steps must be taken to promote economic development, eliminate hunger, reduce poverty, improve the people's intellectual background, look after our compatriots' health, and improve the quality of the people's material and cultural life. Satisfactory measures must be taken to show our gratitude to those who have rendered meritorious services to the revolution. Propaganda activities must be organized to promote public awareness of the need to fight against bad practices and social vices like drug addiction and superstitions. Efforts must be made to consolidate national defense and firmly maintain public security and order. It is necessary to pay special attention to high-altitude regions, remote localities, areas inhabited by ethnic minority people, and former revolutionary bases. Adequate steps must be taken to protect and improve the environment. Proper plans must be worked out to preserve and renovate historic and revolutionary relics of the nation and your home province, thus creating conditions for future generations to behold our glorious national traditions and continue to carry on the revolutionary undertaking inherited from their fathers and forefathers.

It is my firm belief that local party organizations, administrative organs, mass societies, combatants, and compatriots of different ethnic groups will develop the glorious traditions of Tan Trao and together with our people countrywide, step up the struggle to guarantee independence and freedom for the Fatherland and happiness for the people, and carry out the national industrialization and modernization program to make the people rich and the nation powerful, bring about justice and civilization in society, and successfully implement socialist construction.

It is my hope that local party organizations and compatriots of different ethnic groups will achieve complete unanimity of mind and action and heighten the determination to make your home province richer and more beautiful with each passing day and bring about an increasingly happy and bountiful life in your villages, hamlets, and families.

Do Muoi Addresses Arts, Literature Congress

*BK1209135195 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 9 Sep 95*

[FBIS Translated Text] The Vietnam Union of Arts and Literature Associations [VUALA] held its fifth congress at the Ba Dinh Conference Hall in Hanoi

this morning [9 September]. Attending the congress were Party General Secretary Do Muoi; Nguyen Duc Binh, member of the party Central Committee Political Bureau; Deputy Prime Minister Nguyen Khanh; Ha Dang, head of the party Central Committee Culture and Ideology Department; Culture and Information Minister Tran Hoan; Phan Ngoc Tuong, minister and head of the Government's Cadres Organization; and representatives of various arts and literature associations at the central and provincial levels.

Writer Nguyen Dinh Thi delivered an opening speech. This was followed by a report by VUALA Deputy Chairman Cu Huy Can on the development of Vietnam arts and literature during the past years and on the activities of VUALA and its orientations and tasks from now to the year 2000.

Party General Secretary Do Muoi delivered a speech at the congress, pointing out some important tasks and duties that Vietnamese artists and writers should carry out in the current renovation undertaking.

Party Role in State Enterprises Discussed

95P30159B

[FBIS Editorial Report] Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese on 1 July on page 1 carries a 250-word report that on 30 June, the Ho Chi Minh city Political Education Center held a conference on Party organization within state-owned enterprises. Comrade Pham Van Hong, head of the city's Organization Committee and members of the city's Standing Committee, attended the conference. Debate centered on combatting negative attitudes and promoting solidarity. Questions were raised about the need to clarify the nature of the relationship between the directors of enterprises and their Party officers. A number of speakers suggested that state enterprises directors should cumulate the function of Party Committee Secretary, but this idea was argued against by other speakers.

War Crimes Exhibition Hall Becomes Museum

95P30159A

[FBIS Editorial Report] Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese on 18 July on page 3 carries a 200-word report that on 4 July, the Ho Chi Minh City People's Committee officially renamed the exhibition hall for "War Crimes by Americans and Their Puppets" as the "War Museum." Since opening on 4 September 1975 more than 6 million visitors have visited the exhibit hall, including 350,000 from 100 countries. At the museum are more than 9,000 photographs and display items on such themes as "U.S.

Crimes Against the Vietnamese People," and the "Con Son Island Tiger Cages."

Security Veterans Discuss Wartime Counterespionage

95P30159

[FBIS Editorial Report] Hanoi HANOI MOI in Vietnamese on 20 July on pages 1 and 4 carries a 300-word report that on 19 July the Interior Ministry's General Department 1 hosted a seminar to discuss how espionage and infiltrators were combatted during the anti U.S. resistance war. Interior Deputy Ministers Pham Tam Long, Le Minh Huong and Nguyen Tan Dung attended, along with many veteran security cadres who had personally been involved with wartime counterespionage. Discussion centered on the fight against "biet kich" agents infiltrated from the South, who had sophisticated radio equipment and tightly-organized communications. Lessons learned from countering the very first infiltrations were gradually transformed into general operating procedures that eventually resulted in an unbroken string of successes against such infiltrators.

Cooperation from a security-conscious population was described as decisive. Virtually all enemy infiltrators had been initially discovered and pursued by the civilians. The wartime experience of combatting spies and infiltrators is still studied and applied by today's security cadres.

City Preparations for Party Congress Planned

952E0097A Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 30 Jul 95 pp 1, 7

[Article by T.B.L.: "All Basic Party Units to Hold Congresses Before December 1995"]

[FBIS Translated Text] On 27 July the Ho Chi Minh City Municipal Party Committee met with the leadership comrades of the party committee echelons to continue to implement the plan to organize party organization congresses at all levels.

Recently (on 12 July 1995) the Secretariat of the Party Central Committee issued official document No. 266/CV-TU, which directed: "To be in accord with the political mission of the new era in general, both basic-level party committees that have completed their terms and those that have not yet completed their terms must hold congresses to discuss reports of the upper-level party organization congress, determine the direction of the mission of the coming term, elect delegates to attend the upper-echelon party organization congress, and elect new executive committees."

The standing committee of the Municipal Party Committee promulgated document No. 11/HD-TU on 24 July 1995 and official document 190/CV-TC on 25 July 1995 guiding the party organization echelons in carrying out the directive of the Secretariat of the Party Central Committee regarding the organization of party congresses at all levels, in which the Municipal Party Committee especially stressed concentration on doing a truly good job of preparing the contents of the congresses, criticizing party committee members who have completed their terms, organizing guidance at each echelon, and meeting the schedules for holding the congresses. With regard to the task of preparing the contents of the party committee reports, the Municipal Party Committee stressed that the part regarding the implementation of resolutions must be brief and concise, and mention both the accomplishments and the remaining problems and deficiencies since the previous congress. Something that must receive attention is analyzing the factors and isolating experiences, while correctly determining the goals, missions, and solutions for the coming term. The official document of the Municipal Party Committee also stated that all basic-level party congresses must discuss the documents of the Eighth Party Congress.

Regarding the task of organizing guidance, the Municipal Party Congress requested the district party committees and the party committees above the basic level to urgently complete their analyses of the quality of basic-level party organizations in 1994 before the basic-level party organizations hold congresses, and grasp the situation of basic-level party committees, especially the party committee members who hold such key positions as secretaries, deputy secretaries, people's council chairmen, ward and village people's committee chairmen, secretaries or heads of commercial and administrative-professional units, etc. The schedule for holding the congresses is as follows: trial basic-level congresses will be held from now to 20 August 1995 and the large-scale holding of basic-level congresses will begin on 21 August 1995 and end no later than the beginning of December 1995. Party congresses at the district level and at echelons above the basic level will be held in November and December and will conclude no later than mid-February 1996. The congress of the municipal party organization will be held in the first quarter of 1996. The Municipal Party Committee selected some units to hold trial congresses to gain timely experience for guiding the congresses of all party bases. Those units included Trung An village in Tan Binh District, the Electrical Machinery Metals Corporation, Le Qui Don general middle school, the Nguyen Thi Phuong Hospital, and the party chapter of the control department of the Municipal Party Committee.

Comrade Nguyen Ngoc An, a member of the standing committee and a regular member of the Municipal Party Committee, stressed some requirements of the party bases in holding congresses: correctly evaluating the actual situation of the party bases and the quality of their activities; explicitly and specifically analyzing the strengths and weaknesses; avoiding subjectivism, one-sidedness, and generalities; grasping the directions and missions of the coming term; defining the missions very specifically (at the basic level the over-all directions should not be discussed); drafting contents that are practical and appropriate for the basic unit's locality; and mobilizing, by all means, the contribution of opinions by the entire party, the mass organizations, and the people regarding the party congress documents, so that the party documents can truly be the concentrated intelligence of the party and the people.

Son La Province Completes Party Congresses

BK0809120595 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 7 Sep 95

[FBIS Translated Text] In the last six months, the Son La Province party committee has directed pilot party congresses in 46 primary party chapters and branches. Most of these congresses were focussed on the four contents outlined in Directive No. 51 of the party Central Committee Secretariat and the guidance issued by the party's Central Organization Department. Due to close supervision by the provincial party committee, primary congresses were satisfactorily held in conformity with party regulations.

After these congresses, the Son La party committee is reviewing the work to elicit various lessons, shortcomings, and mistakes before organizing more local congresses. The province is striving to complete all primary party congresses in this September.

Ninh Binh Province Holds Party Congresses

BK0809124095 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 7 Sep 95

[FBIS Translated Text] To execute Directive No. 51 and Official Correspondent No. 266 of the Party Central Committee Secretariat [PCCS] on organizing party congresses at all levels, the Ninh Binh Province party committee provided direct guidance for the organization of party congresses in 20 primary party chapters and branches that represent all forms of basic party organizations in villages, government offices, and state enterprises.

Most of these party congresses were prepared and conducted under the four contents outlined in the PCCS directive. Many basic party organizations completely

solved misunderstandings and problems before holding their party congress. They also developed the people's intelligence in planning their congress. All personnel work was done satisfactorily in accordance with party regulations, ensuring that the introduction of party members into new party committees was carried successfully. Among the new party committee members, female members account for 11 percent of the total. Nearly 70 percent of old members were reelected, 60 percent of new party committee members have tertiary qualifications, and the average age of new party committee members is 40.

Ha Tay Province Holds Party Congresses

BK1209134995 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 8 Sep 95

[FBIS Translated Text] Ha Tay Province's Party Committee recently supervised various basic party organization congresses. Thanh Thi Village of Thanh Oai District was selected as the first venue for a basic party organization congress to draw on experiences for other localities in the province.

The Thanh Thi party organization and people have triumphantly carried out the socioeconomic task set by the province during the past two years. Its gross production output was more than 16 billion dong, while the local people's per capita income was almost 3 million dong. Thanh Thi Village has urged peasants to plant new rice varieties while promoting handicraft production, thus creating more jobs. The village has been recognized over the past two years as a pure, firm, and strong party organization. At its recent congress, the Thanh Thi village party organization discussed methods

to improve crop patterns and measures to strengthen party building tasks.

Vinh Phu Province Admits 3,200 Members

BK1209135795 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 9 Sep 95

[FBIS Translated Text] The basic party organizations in Vinh Phu Province have admitted more than 3,200 new party members since 1992. During the first six months of this year, the province has admitted 825 members. Various party chapters in the province's financial, banking, and customs blocs have paid close attention to enhancing the party background of Youth Union members who have acquired their college education before recommending them for party membership.

Thai Binh Province Reviews Renovation Work

BK1209140295 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Sep 95

[FBIS Translated Text] More than 80 percent of the basic party organizations in Thai Binh Province have reviewed their results in implementing the party Central Committee's third plenum resolution on renovating and revamping the party. Most of the province's villages and wards have completed this task; the rest have pledged to finish the work in September. Generally speaking, the review has been carried out seriously and has basically met the given requirements. Various echelons of Thai Binh's party committees have also appraised their results in the party building task, analyzed problems, and drawn lessons of experience for party building work in the days ahead.

South Pacific Forum Summit Opens 13 Sep

Anti-French Protests Continue

*BK1309100495 Hong Kong AFP in English
0952 GMT 13 Sep 95*

[FBIS Transcribed Text] Madang, Papua New Guinea, Sept 13 (AFP) — The annual South Pacific Forum summit of leaders opened here Wednesday with French nuclear tests hanging over both the official and unofficial proceedings.

The Forum of 14 Pacific Island countries plus Australia and New Zealand meets annually to consider mainly economic issues.

Prime ministers, presidents and cabinet ministers flew in from Port Moresby on four aircraft to be greeted by dancers. A motorcade then took them to the official opening by the seaside.

Despite dire warnings from police about 300 demonstrators chanted "Stop the French" as they went by and waved a mixture of placards protesting at the World Bank and calling for the independence of the Indonesian province of Irian Jaya west of here and which is called West Papua locally.

Police took no action to stop the protest.

At the dusk opening ceremony attended by traditional dancers and hundreds of local people who have never witnessed such an important gathering, Papua New Guinea Prime Minister Sir Julius Chan repeated the South Pacific's "longstanding record of strong opposition to nuclear testing."

He said the Melanesian Spearhead Group of nations — Vanuatu, the Solomons and Papua New Guinea — will present a paper on their anti-nuclear stance to this forum.

"Developments in relation to the resumption of nuclear testing in French Polynesia will be outlined in the presentation of our colleagues from New Zealand and Australia," Chan said.

"These briefings at our retreat will contribute to our decisions on what further action we might consider pursuing."

The forum opening was followed by a brief business session but the main work will be done Thursday when leaders take a cruise boat up the coast to Jais Aben, a small tourist resort town.

Non-government organisations here have said they will also ignore a police ban on protest marches and hold one here Thursday.

Keating Urges 'United Front'

*BK1309104195 Hong Kong AFP in English
1028 GMT 13 Sep 95*

[FBIS Transcribed Excerpt] Madang, Papua New Guinea, Sept 13 (AFP) — Australian Prime Minister Paul Keating called on Wednesday for regional leaders to form a united front to condemn French nuclear testing in the South Pacific.

Speaking in the Papua New Guinea capital, Port Moresby, before the opening of the 16 nation South Pacific Forum summit, Keating said the meeting would strengthen the international protest against French nuclear testing.

The forum gave the Pacific a chance to speak with one voice in condemning the French nuclear tests at Mururoa Atoll in the South Pacific, he said.

But Keating said the French still had a constructive role to play in the Pacific and the issue of independence for French territories was a matter for France.

However he added that while the French had constructive relationships with countries of the South Pacific "there is no doubt the legitimacy of their presence and their sincerity is called into question by a scant disregard for the opinion and the interests of people who live in the Pacific, Pacific islanders".

"I think the value of the forum is for it to speak with one voice as the voice of the Pacific," Keating said.

"No other meeting of a group of nations this large or their representatives could say to (French) President (Jacques) Chirac that this is a bad decision and we want it reversed.

"The value of it being said in this forum is that it is not simply Australia and New Zealand, it is the forum countries as a whole."

The forum is expected to strongly condemn France for last Wednesday's nuclear test and call for a halt to further planned tests. [passage omitted]

Australia

Pacific Minister Condemns Violence in Papeete

*BR0809143595 Paris LIBERATION in French
8 Sep 95 p 7*

[Report by Patrick Sabatier: "France, the Foreign Adversary of the Pacific"]

[FBIS Translated Text] According to the front-page headline of the Australian daily SYDNEY MORNING HERALD, 6 September will remain "The Day on Which

the Pacific Boiled." From Santiago, Chile, to Seoul, via Sydney, Manila, and even Hanoi, the nuclear test in Mururoa has set off a tidal wave of condemnations and protests. "France's position in the Pacific has definitely been damaged," Gordon Bilney, Australian minister responsible for Pacific Island affairs, said in response to a question put to him by LIBERATION on Thursday [7 September] during his visit to Paris. "My fear is that the situation will get worse if more tests are carried out." Tuvalu, Nauru, and Kiribati — three small islands — have broken off their relations with Paris. New Zealand and Chile have recalled their ambassadors "for consultations."

Japan has withdrawn the invitation it made to President Chirac to visit Tokyo and has confirmed that it feels bound to freeze the development of its relations with Paris. The Philippines is considering excluding French arms companies from its market, as Australia and New Zealand have already done. The 15 countries belonging to the South Pacific Forum, as well as the 14 (Latin American) countries belonging to the Rio group, and the seven Association of South East Asian Nations countries are calling for the suspension of the series of tests in Mururoa. Several governments in the region are consulting each other with a view to tabling a resolution condemning France at the next UN general assembly.

Let us go back to the beginning: 10 years ago, the day after the 1985 attack on the Greenpeace flagship Rainbow Warrior by the French security services, France was already the number one enemy in a region where it had never really been accepted since Bougainville landed there in 1768. The separatist riots in Papeete, as Gordon Bilney took pains to point out to LIBERATION during his visit to Paris, "can in no way be linked to the debate on the nuclear tests. We deplore what has happened in Papeete and condemn such inadmissible violence." Diplomatic — but mistaken — talk, at least in the eyes of some public opinion in the region. As one Australian trade union leader summed the situation up with a view to justifying the boycott imposed on French products: "This test was an act of colonialism. France has no business in the Pacific."

The governments in the region are devoting themselves to forcing the French to take a step backward. They must take account of reactions by the people, demonstrations against "the Hitler of the Pacific" in the streets of Seoul and Manila, as well as of calls by the Japanese daily MAINICHI to boycott French products, or even the mobilization in Chile. The denunciation of "'French colonialism' is not the policy of the Australian Government, nor the majority opinion of the Australian people," Gordon Bilney insisted.

However, in the light of rifts in the Pacific, there is nothing self-evident about the "Frenchness" of Polynesia, New Caledonia, or the Wallis and Futuna Islands. These French territories, which for a long time remained isolated from development and regional dialogue, are continuing to look like remnants of an obsolete colonial empire, with no justification other than that of pandering to France's ambitions as a "world" power. This was a situation that could be tolerated while the region feared the expansion of the USSR and for as long as the Cold War fed the conflicts that bloodied the shores of the Pacific (Korea, Vietnam, Cambodia, and so on). However, already 10 years ago New Zealand Prime Minister David Lange stated that "the only aspect of French policy which will never be accepted in the region is the continuation of nuclear tests." To a certain extent the rejection of nuclear testing serves a kind of "national ideology" in countries lacking a clear national identity. Decolonization is a recent phenomenon in the region, having existed for less than 50 years in Asia (where Japan justified the war in the Pacific by its desire to combat Western colonialism), and 20 years at the most in the Pacific, where even the major power in the region, Australia, has still not completely burned its bridges to Great Britain. The states in the Pacific are all the more intent on affirming their independence. The battle against the nuclear tests presents them with a natural arena in which to do this: Apart from the memory of Hiroshima, the region has served as a venue for experiments by the nuclear powers since the 1950's (British tests in Australia, U.S. tests at Bikini Atoll, French tests in Mururoa).

The South Pacific declared itself a "nuclear-free zone" back in 1985, and New Zealand did not back down when faced with a major diplomatic crisis with the United States that same year because it refused to allow the nuclear weapons of the U.S. fleet to enter its ports. By going it alone on the nuclear issue and invoking his sovereignty over Mururoa, Chirac has landed France back in its traditional role in the Asian-Pacific region, namely as a "foreign" and "arrogant" adversary against which a "regional identity" that is more imaginary than real, has started to emerge. So it was a notable blunder, to say the least, when French Foreign Minister Herve de Charette stated that Asia must be the "new frontier" of French foreign policy.

French Polynesia

Greenpeace Blamed for Laying Groundwork for Riots

BK1309011595 Hong Kong AFP in English
2059 GMT 12 Sep 95

[FBIS Transcribed Text] Papeete, Sept 12 (AFP) — The president of the French Polynesian territorial government Tuesday accused Greenpeace of laying the groundwork for the incitement of riots which broke out last week after a nuclear test on Mururoa atoll.

In a new letter to the environmental organization's executive director for France, Penelope Komites, President Gaston Flosse said that "by associating with the local opposition party whose sole goal was to gain independence" for this French territory, Greenpeace is taking the chance of supporting a process that would have "tragic consequences" for residents here.

"We did not say that you organized the riots," Flosse said. "We only said that you paved the way, allowing the incitement to occur," he added. The riots broke out last Wednesday here in Tahiti following the first of eight nuclear tests France has said it would carry out.

Last Thursday, Flosse wrote to Komites accusing her of having paid the pro-independence party Tavini Huiraatira the sort of due that it has never before received by displaying the pro-independence flag on the Greenpeace ship Rainbow Warrior II in Papeete in July.

Komites told Flosse that the organization holds French President Jacques Chirac responsible for the violence because it was his decision to resume nuclear testing without asking the Polynesians.

"Greenpeace opposed the violence which resulted from the use of the military against peaceful protestors or demonstrators against the nuclear tests," she said.

New Caledonia

'Thousands' Demonstrate Against Nuclear Tests

BK1309090795 Hong Kong AFP in English
0858 GMT 13 Sep 95

[FBIS Transcribed Text] Noumea, Sept 13 (AFP) — Thousands of New Caledonians took to the streets of Noumea on Wednesday calling for a halt to French nuclear tests in the South Pacific.

The organisers said 10,000 people marched but police put the figure at 2,000. The demonstration took place without incident.

It was the third anti-nuclear demo in Noumea since July. Among marchers were members of the pro-independence Kanak Socialist and National Liberation Front, including its president Paul Neaoutyine, and North Province leader Leopold Joredie.

Many demonstrators wore T-shirts with anti-nuclear slogans sponsored by the Union of Kanak and Exploited Workers.

Some demonstrators carried banners calling for independence for New Caledonia and French Polynesia.

There were also appeals for the release of Tahitian pro-independence union leader Hiro Tefaarere who was arrested in Papeete on Saturday.

Tefaarere and several union leaders were arrested following riots in Papeete two weeks ago triggered by a general strike and the French nuclear tests at Mururoa Atoll.

Rioters sacked Papeete airport and looted and set fire to shops in the centre of the French Polynesian capital.

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